HOWARD SCOTT
1890 - 1970

HOWARD SCOTT

Howard Scott was a man ahead of his time, able to discern events analyze conditions, and put them into proper perspective.

He was the Chief Engineer of a group known as the Technical Alliance. The group consisted of engineers, mathematicians, scientists, statisticians, economists—all prominent in their field—who undertook an energy survey of the North American Continent. All of this was brought on by the productive capacity of the U.S.A. at the end of WW1, which had increased despite the induction into the armed forces of much of the work force. What did this portend for the future? He guided their endeavors through to fruition in 1932.

Technocracy Inc. was formed by him in March of 1933, to inform the people of North America of the findings of the Technical Alliance, and to acquaint them with the inadequacies of the Price System and make it clear what was causing their present social problems. Howard Scott single handedly set about the task of forming an organization, undertaking lecture tours of North America to set in place the nucleus of what was to become the fastest-growing organization in North America. These tours were augmented by frequent interviews on radio and in the press. As mentioned elsewhere in this magazine, the organization continued to grow until 1947, when as previously discussed the organization went into decline. He guided it through good times and bad, never deviating from his original intention of presenting only the facts and analyzing where our misguided social policies were leading us. He remained as Director in Chief of Technocracy Inc. until his death in January of 1970.

Was he a visionary or a man of great perception? Or was he a man with an analytical brain, able to see things as they were, not as people would like them to be, or more to the point, hoped they would be? He was a man of great integrity, refusing all kinds of financial inducement to set up a harmless research foundation which would have made him rich, but would have betrayed his principles. He was concerned with the practical problems of running and organizing a modern technological society; to this end he devoted his life. Events have borne out the correctness of his analysis; the predictions of Technocracy have all proved to be accurate. Whether we as a society have the wit to take advantage of these findings remains to be seen.

TECHNOCRACY'S HOWARD SCOTT SAID:

COMPILED

BY

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PREFACE

This volume represents the efforts of Section 3, Regional Division 8141, Technocracy Inc. to assemble the most complete collection of the spoken words and significant written material of Technocracy's Founder and Director-in-Chief, Howard Scott, as recorded by transcript, disc, wire, and tape.

An addendum contains pertinent statements and observations as accounted for by a long-term member-at-large of Technocracy Inc.

An appendix contains a reduced-size copy of the first Technical Alliance pamphlet published in 1918.

The contents are arranged in the most approximate chronological order. The blanks appearing throughout the transcript are due to either voids in the recordings, inaudible remarks from the audience in question periods, or poor clarity of the audio, making it impossible for the transcriber to decipher the words at that particular point.

EVERY ORGANIZATION HAS ITS OBJECTIVES, AND THE OBJECTIVES OF TECHNOCRACY ARE THAT WE ARE AN EDUCATIONAL RESEARCH ORGANIZATION AND IT IS OUR JOB TO KEEP AHEAD OF THE EVENTS AND KEEP THE PUBLIC OF THIS COUNTRY AND THIS CONTINENT INFORMED OF THE TREND OF EVENTS AND THE TECHNOLOGICAL DESIGN MOST CAPABLE OF OPERATING THIS COMPLEX ON THIS CONTINENT FOR THE GENERAL WELFARE AND COMMON GOOD, SO AS TO PROVIDE AND DISTRIBUTE AN ABUNDANCE TO EVERYONE WITH A MAXIMUM OF CONSERVATION OF RESOURCES -- HUMAN AND OTHERWISE.

-- HOWARD SCOTT
June 23, 1950

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THE BIRTH OF THE TECHNICAL ALLIANCE

From an interview given to Charles H. Wood,
Associate Editor, THE NEW YORK WORLD,
February 20, 1921

"There is no insurmountable problem ahead of the American people. We can have prosperity just as soon as we are willing to go after it. It isn't necessary to wait a single month for Europe. Forget the German indemnity. Never mind what the League of Nations does or doesn't do. As for Congress, let Congress go ahead and talk; it doesn't matter. All that we need in order to get prosperity is sufficient natural wealth, sufficient skill, sufficient industrial equipment, sufficient labor power, and intelligent direction. We have all of these things except the last, and there is no reason under the sun why we can't have that just as soon as the technicians decide to get together."

Howard Scott is Chief Engineer of the Technical Alliance, a new organization, with very modest headquarters at No. 23 West 35th Street. It is not a business or commercial organization. It does not intend to direct any special enterprise. It is exactly what its name implies: an attempt to get the technical men of all branches of American industry together.

"What for?", I asked Howard Scott.

"To find out what the American people want," he answered, "and to get it for them."

The answer was simple and inclusive but why the technical men? Are there no other interests to be consulted?

"The technicians," Mr. Scott explained, "are the only group who know how people get things. They are not the only producers, but they are the only ones who know how production is accomplished. Bankers don't know. Politicians and diplomats don't know. If these fellows did know, they would have got the wheels started before this. They all want production -- everybody does; but those who have been running things don't know how to run them, while those who do know how have not so far considered it their business."

It took a long time to get even that much from Howard Scott. It is evident that newspapermen rank in his eyes somewhere along with financiers and diplomats. He is an engineer, and he wouldn't argue. He would answer questions if he had the answer, but if he didn't have it, he would express no views. There are no two "sides" to any question in the minds of engineers like this. If they have the answer, there it is. If they haven't, the only thing to do is go and get it. The fact that the answer is still unknown doesn't permit the assumption that there is more than one.

Although the Technical Alliance has just been formed, Mr. Scott has been working at the project for several years. Not trying to get the engineers together -- that is not an engineer's method of forming an organization. He has been getting the problem together. He has been doing research work. He has been gathering data and making charts showing just how industry is being carried on today; and, so far as he could, he has been calculating the percentage of waste.

"The whole problem may be stated," he said, "as the problem of the elimination of waste, but waste to an engineer has a different meaning than it has to the general public. People generally think of waste only in terms of potato peelings or of spending money for what they hanker for, instead of for what they think they ought to buy. If the elimination of that kind of waste could solve the problem, China should be the richest country on earth today; but the engineer recognizes that idleness is waste, that duplication of effort is waste, and that the unnecessary exhaustion of any natural resource is waste.

"If we can eliminate idleness and duplication of effort," he said, "we may have immediate prosperity -- such prosperity as the world has never known. If we can find a way then to husband our natural resources, we may make that prosperity permanent."

"Can the engineers and technical men do this?" I asked.

"If they can't," he answered, "nobody can. Inasmuch, however, as that is only one thing which they are trained to do, the problem does not seem difficult. The simple fact is that they have not tackled the problem up to date. They have been trying, with gratifying success, to eliminate idleness and duplication of effort within the various industries in which they have been employed, but so far they have not thought of American industry, which means, practically, that they haven't thought of it as engineers.

"The time has come, however, when the engineer must do exactly that. We are reaching a crisis, and the technicians are the only people who can find out what to do. They must survey the whole country, tabulate its resources, discover its possibilities in natural and human power, uncover the present wastes and leakages, and work out a tentative design of coordinated production and distribution."

"And suppose you do draw up a seemingly workable plan," I asked, "what are you going to do with public opinion?"

Mr. Scott let me know that he was vastly bored.

"It is all a technical matter," he said. "It makes not the slightest difference whether the public knows about it or not. The steam engine didn't need a press agent. The Einstein Theory doesn't require any special legislative enactment. If the only people who can bring order out of our present industrial chaos find out exactly how to do the job, we needn't worry about the next step."

"Won't you run against some political difficulties?" I asked.

"Yes," he said. "in the same way that the well known tide ran against political difficulties in the person of His Majesty King Canute. Politics is our natural approach to matters which we don't understand. When we know exactly what we want and exactly how to get it, we get it. If we don't know what we want, we vote for it with a superstitious hope that a change -- any sort of change -- will bring it out of its hiding place. Mr. Harding was elected by an overwhelming majority because we wanted something badly, and we thought that 'normalcy' might be it. Had we been in a little more pain, we should have probably elected Debs, hoping that a change in ownership would somehow work a miracle."

"Isn't the question of ownership a vital one?" I asked.

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"No," he answered. "It makes no difference who owns the sun. What concerns us vitally is whether we use it properly or not. No lovers ever quarreled about who owns the moon. Neither does it make a difference who owns the earth if we can only discover how to use it. Ownership is a myth. If we once get to using our coal and iron and our industrial and transportation systems to their full capacity, nobody will be fool enough to care whether they are owned or not.

"The engineer especially is not concerned with ownership. Technicians, as such, cannot function in politics. Their training has placed them in a position where decisions are the result of intrinsic fact and not of personal opinion, whether autocratic or democratic. They cannot function in finance because their science is one of production and utilization, not one of title or credit. They cannot function in labor unions as at present organized because these unions are mere political groups in which the individual member functions not as an individual responsible for a certain detail of the industrial process but as a voter expressing some -- usually borrowed -- opinion.

"The Technical Alliance is simply an attempt to organize the technical workers on their jobs instead of organizing them as an academic group outside. In one sense of the word, this may be called the first genuine labor organization in America, for every technician is engaged in strategically important labor and is concerned primarily with the organization, that is, the coordination, of industry.

"Technical men must necessarily look on industry as industry. The central purpose of industry -- and the only purpose which the engineer, as such, can pay attention to -- is to serve humanity. Mr. Gantt, in his very conservative estimates, proved that our present industrial machine is not giving more than 20 percent of the service it is capable of giving, primarily because the machine is controlled by business groups for business ends, rather than by industrialists for industrial ends. His figures were actually far too high, because with the elimination of the business motive would come the elimination of thousands of industries now engaged in making things which only business organizations need; and because with the machine once operating at its full capacity, there would be such an abundance produced for everybody that we would not need to protect private property as it is protected today."

Mr. Scott is anything but an enthusiast, and yet I have never heard an irresponsible soapboxer make more staggering statements. To multiply the nation's wealth by ten -- without waiting for new inventions and without considering a political move -- seemed to him a simple problem for the engineers when once they organize as engineers.

For lack of anything better to say, I asked him a question which every advocate of a new order will recognize as an old acquaintance:

"Won't you have to change human nature first?"

Mr. Scott smiled dryly.

"Did they have to change human nature," he asked, "in order to keep passengers from standing on car platforms?"

"Go on," I said, "I'm listening."

"They put up signs first," he continued, "prohibiting the dangerous practice, but the passengers still crowded the platforms. Then they got ordinances passed, and the platform remained as crowded as before. Policemen, legislators, public service commissions all took a hand but to no effect; then the problem was put up to the engineer.

"The engineers solved it easily. They built cars that didn't have any platforms."

According to Mr. Scott, the same course will have to be followed in the matter of a still more familiar prohibition: THOU SHALT NOT STEAL. Church and state, he says, have united unanimously throughout all history behind this law, but it has never been enforced. Technical administration alone, he maintains, can enforce it.

How? Let him answer in his own words.

"By coordinating the industrial processes; by operating all industries as one agency for one definite purpose: producing and distributing the things that people want so that an abundance of everything shall be accessible to all.

"Private property," he said, "is generally recognized as a burden even today, and few people would want to carry it if they could be rich without having to do so. For the first time in history, though, humanity has a machine at hand which is productive enough to make everybody rich, and it has the technical knowledge at its disposal to run such a machine. All that is necessary is coordination."

"But do you expect the engineers to agree upon a program?" I asked. "They have their prejudices and differences, don't they, just like the rest of us?"

"They disagree as politicians," he said, "but not as engineers. We are not trying to organize them, however, into a society to debate something but into an alliance which will discover the facts. Engineers do not disagree on facts. They all know which direction a stone will drop. They all know that a straight line is the shortest distance between two points. If there is anything else they want to know as engineers, they find it out; and when they find it out, there isn't the slightest disagreement. Engineers are not radical or conservative. As engineers, they are no more radical than a yardstick and no more conservative than so many degrees Fahrenheit."

TECHNOCRACY SPEAKS

By Howard Scott

Originally printed in THE LIVING AGE
An English Publication
December 1932

The very favorable editorial comment on Technocracy presented by Mr. Orage in a recent issue of THE NEW ENGLISH WEEKLY has prompted the editor of THE LIVING AGE to request a statement from Technocracy itself. I should like first to make two corrections in matters of fact. First, the per capita consumption of energy should be, respectively, 2,000 and 150,000 kilogram calories *per day*, not per annum as Mr. Orage stated. Secondly, the cigarette production is given as at the rate of 'five or six hundred per hour per man,' instead of per minute per man.

The following communication is less a reply to Mr. Orage's comments than a statement of the aims and methods of the research body known as Technocracy. Such a statement would seem appropriate after the very considerable publicity given to the specific findings of Technocracy in connection with its Energy Survey of North America.

I

Technocracy is a research organization, founded in 1920, composed of scientists, technologists, physicists, and biochemists. It was organized to collect and collate data on the physical functioning of the social mechanism on the North American continent, and to portray the relationship of this continent and the magnitude of its operations in quantitative comparison with other continental areas of the world. Its methods are the result of a synthetic integration of the physical sciences that pertain to the determinations of all functional sequences of social phenomena.

Technocracy makes one basic postulate: that the phenomena involved in the functional operation of a social mechanism are metrical. It defines science as 'the methodology of the determination of the most probable.' Technocracy therefore assumes from its postulate that there already exist fundamental and arbitrary units which, in conjunction with derived units, can be extended to form a new and basic method for the quantitative analysis and determination of the next most probable state of any social mechanism. Technocracy further states that, as all organic and inorganic mechanisms involved in the operation of the social macrocosm are energy-consuming devices, therefore the basic metrical relationships are: the factor of energy conversion, or efficiency; and the rate of conversion of available energy of the mechanism as a functional whole in a given area per time unit. Technocracy accordingly establishes a new technique of social mensuration, that is to say, a process for determining the rates of growth of all energy-consuming devices within the limits of the next most probable energy state.

The Energy Survey of North America now being conducted by Technocracy in association with the Industrial Engineering Department of Columbia University and the Architects' Emergency Committee has found that employment of this method has not only yielded new data but has endowed already existing data with a new significance. As the above method is one of measurement, it follows axiomatically that all processes of evaluation are excluded. Value has no metrical equivalent.

TECHNOCRACY SPEAKS
Published in THE LIVING AGE Dec., 1932

Value is defined by the economists as the measure of the force of desire. It has its physical manifestation in any one commodity unit by which all other commodities or services are evaluated. Any society using a commodity method of valuation shall herein be said to be emplying a price system. A 'social steady state' is a social mechanism whose per capita rate of energy conversion is not changing appreciably with time. Social change, on the other hand, may be defined as the change in the per capita rate of energy conversion or the change from one order of magnitude to another in the social conversion of the available energy. All social history prior to the last century and a half, viewed technologically, may therefore be described as the record of a steady state. Only within the last hundred and fifty years has there been introduced a technique that has specifically caused social change. Technology, as the executor of physical science, is the instrument for effecting social change.

During the 200,000 years prior to 1800 the biological progression of man, in his struggle for subsistence on this earth, had advanced so far that the total world population in that year reached the approximate number of 850 million. During the subsequent 132 years, world population has attained such heights that it now exceeds a total of 1.8 billion; in other words, the population increase in the last 132 years has been greater than it was in the previous 200,000. Most of this increase in the human species has been made possible by the social introduction of technological procedures, that is, change in the means whereby we live as brought about solely by the introduction of technology.

II

A century ago these United States had a population of approximately 12 million, whereas today our census figures give a total of over 122 million -- a tenfold increase in the century. One hundred years ago in these United States, we consumed less than 75 trillion British thermal units of extraneous energy per annum, whereas in 1929 we consumed approximately 27,000 trillion British thermal units -- an increase of 353-fold in the century. Our energy consumption now exceeds 150,000 kilogram calories per capita per day, whereas in the year 1800 our consumption of extraneous energy was probably not less than 1,600 or more than 2,000 kilogram calories per capita per day.

The United States of our forefathers, with 12 million inhabitants, performed its necessary work in almost entire dependence upon the human engine, which, as its chief means of energy conversion, was aided and abetted only by domestic animals and a few waterwheels. The United States today has over one billion installed horsepower. In 1929, these engines of energy conversion, though operated only to partial capacity, nevertheless had an output that represented approximately 50 percent of the total work of the world. When one realizes that the technologist has succeeded to such an extent that he is today capable of building and operating engines of energy conversion that have nine million times the output capacity of the average single human being working an eight-hour day, one begins to understand the significance of this acceleration, beginning with man as the chief engine of energy conversion and culminating with these huge extensions of his original one-tenth of a horsepower. Then add the fact that of this 9 millionfold acceleration, 8,766,000 has occurred since the year 1900.

Stated in another way, if the total one billion installed horsepower of the United States were operated to full capacity, its output would be equivalent to the human labor of over five times the present total world population.

Physical science has outdistanced present social institutions to such an extent that man, for the first time in history, finds himself occupying a position in which a complete

utilization of his knowledge would assure the arrival of certainty in a continental social mechanism. Man, in his age-long struggle for leisure and the elimination of toil, is now at last confronted not only by the possibility but by the probability of this arrival. Such a new era in human life is technologically dependent only upon an extension of the physical sciences and the equipment at hand.

But the pathway to that new era is blockaded with all the riffraff of social institutions carried over from yesterday's seven thousand static years. The law of the next arrival is depicted by the Gaussian curve of probability, or the next most probable energy state.

III

America faces the threshold of the new era with the greatest total debt load ever carried by any social mechanism, a debt of over $218,000,000,000 against her physical equipment and its operation. With the number of unemployed greater than the total population of a century ago; with one of the most providential geologic setups of any continental area; still possessing more energy and mineral resources than any like area on the world's surface; having more than one billion installed horsepower of prime movers wherewith to degrade available energy into use-forms; possessing a personnel of over 300,000 technically trained men in many varied engineering fields and more than 4,000,000 men partially trained and functionally capable of operating the greatest array of productive equipment ever at the disposal of man -- with all this, we have, nevertheless, failed to profit from technological advances and accordingly find ourselves -- for the first time in history -- with an economy of plenty existing in the midst of a hodgepodge of debt and unemployment.

America can expect no help in the solution of this problem from any current social theory. What has the world to offer toward such a solution? Europe discovered America in 1492. Today America is further away from Europe than she was when Columbus sailed. The America of tomorrow will necessitate a rediscovery by Europe. European culture and traditions have nothing of worthwhile importance to offer America in this twilight period preceding the dawn of a new era. No European importations of social or political theory can have the slightest value in solving the operational problems facing America today. Arising out of areas that lack adequate physical equipment and trained personnel, areas in which only a low percentage of the population is disciplined in engineering thought processes, European socio-political philosophies and theories are the natural outgrowth of a more classified division and orientation of the entrepreneur sectionalism of the price system. No theory of social action or governance now existing or proposed in Europe would in any way be endemic to that unique setup of geologic conformation, technique, equipment, and personnel peculiar to North America.

Russia, of whose population 92 percent were tillers of the soil under the *ancien regime* and which had meager technical facilities and more musicians than technologists, found itself in the position of being compelled to inaugurate an industrial era under a communistic price system of production. Soviet Russia was forced to call upon the outside world for technical assistance in order to perpetrate reproductions of factories already obsolescent from an obsolescent price system. Russia, in its Parthian retreat from capitalism, has scored but a Pyrrhic victory. It mistook the name tag of one phase of the price system for that system's entirety; it abandoned the tag but retained the essential mechanics.

To approach social phenomena by substituting Negelian for Aristotelian dialectics may be an interesting intellectual pastime, but it has no functional importance: it is but one more recrudescence of the philosophic futility implicit in European tradition.

IV

The England of the Black Prince, with its population of 5,000,000, its wealth of oak timber, its hearty people drinking deeply of ale (made not from hops but from barley malt), its original resources of copper, lead, tin, iron ore, and coal -- this England developed under the price system of production. Inevitably, like the prodigal son, England went forth into the world and squandered its inheritance among the harpies of world trade and debt creation.

The United Kingdom, with an area of 94,000 square miles and a population of 46,000,000 -- or a density of 490 inhabitants per square mile, with arable land amounting to only 23 percent of the total national area, finds itself in the physical position of possessing only a single energy resource, and that a declining one. Its tin gone, as well as its copper and lead, its iron requiring 56 percent foreign benefaction in order to produce steel, its coal becoming more and more difficult to mine, the United Kingdom is fast retrogressing from its position as the possessor of easily available energy to its next probable energy state as two islands off the coast of the European continent. A valiant race, fighting a losing battle, is displaying an admirable fortitude in the crisis that is resulting from excess population, declining resources, and obsolescent equipment operated by the antiquated methods of a price system.

The United Kingdom will be forced by internal pressure to adopt measures even more extreme than the flight from the gold pound. It may be compelled by the growing disparity between its own industrial operation and the world trade balance to such extremities as abandonment of monetary currency and the accompanying credit structure. In that event, a British currency of pure fiat power might be attempted as a last desperate resort. The present deflationary program may be reversed in the near future to one of inflation, a last straw grasped at in England's struggle for the export markets of the world. Sooner or later, in spite of British imperialism, the United Kingdom, under a price system, will be forced to meet a situation that will be increasingly grave in its internal operation. There remains only the colonizing soporific of bestowing a surplus population of 35,000,000 on the oversea Dominions.

Fascism, that strange but natural partnership of the Italian political state and vested interests, is a process of consolidating all the minor rackets into one major monopoly. Such a condition brought with it the sequelae of discipline and sanitation that necessarily accompany complete trustification. Italy, which is insufficiently supplied with energy and mineral resources, which possesses only a limited amount of waterpower and volcanic heat, which has some mercury and some sulphur but no coal, oil, or gas, no iron ore, copper, tin, lead, or zinc, and which lacks a high enough percentage of arable land to grow sufficient foodstuffs for its own needs -- Italy belongs to the geologic order of areas that cannot create and operate an industrial energy civilization. Fascist Italy is rapidly increasing its dangerous overload of population by granting national bonuses to large families in furtherance of its *mare nostrum* policy. Fascism is an attempt at a last-ditch defense of a price system, an effort to maintain an unbroken front against oncoming social change, but this unbroken front is spurious in that it is being temporarily maintained by foreign importation of energy-resource materials, supplemented by the manna of the Lord.

Egypt, Assyria, Greece, Rome, and, in the Victorian Age, Imperial Britain have all led the world in their day; each in turn has been the vanguard of civilization. The past is strewn with ruins of empire. Now there is but one continental area that from the standpoint of its geologic setup, equipment, personnel, and the state of its technology is competent and ready to inaugurate a new era in the life of man.

V

America stands on the threshold of that new era, but she will have to leave behind all the wish fulfilling thought and romantic concepts of value that are the concomitants of a price system. So, too, all philosophic approaches to social phenomena, from Plato to -- and including -- Marx, must functionally be avoided as intellectual expressions of dementia praecox. Economics, that pathology of debt, not containing within itself any modulus or calculus of design or operation, must likewise be discarded with the other historical antiquities. No political method of arriving at social decisions is adequate in continental areas under technological control, for the scientific technique of decision arrivation has no political antecedents.

Under a price system, wealth arises solely through the creation of debt. In other words, price system wealth consists of debt claims against the operation of the physical equipment and its resultants. Physical wealth, on the other hand, is produced by converting available energy into use forms and services. The process of being wealthy is the degradation of the resultants of the above conversions into complete uselessness -- in other words, total consumption. To be physically wealthy is not to own a car but to wear it out. Technology has introduced a new methodology in the creation of physical wealth. It is now able to substitute energy for man hours on the parity basis that 1,500,000 foot pounds equals one man's time for eight hours. National income under the price system consists of the debt claims accruing annually from the certificates of debt already extant. Physical income within a continental area under technological control would be the net available energy in ergs, converted into use forms and services over and above the operation and maintenance of physical equipment and structures of the area.

Individual income under a price system consists of units that are not commensurate with the quanta by which the rate of flow of the physical equipment is measured and upon which the social mechanism depends for its continuance. Individualism is therefore favored under a price system, since individualism can obtain a monetary equivalent proportional to the individual's ability to create debt. Individual income under such a system therefore depends on the extent to which advantage is exercised by means of the interference control that is dominant throughout the whole system of debt creation.

Individual income under technological control would consist of units commensurate with the quanta by which the rate of flow of the physical equipment is measured throughout the entire continental area. The unit income of the individual would be determined by the period necessary in that area to maintain a thermodynamically balanced load, that is to say, the time it takes for a complete cycle of the operating and production procedures to be completed.

Any unit of *value* under a price system is a certification of debt. Any unit of *measurement* under technological control would be a certification of available energy converted. Such units of certification would have validity only during the balanced load period for which they were issued. This method of producing physical wealth and measuring its operation precludes the possibility of creating any kind of debt. It also eliminates the entire domain of philanthropy. Furthermore, all bonds, financial debentures, and other instrumentalities of debt would cease to exist, since they do not have one iota of usefulness in the physical operation of such an area under technological control.

Technocracy proposes no solution; it merely poses the problem raised by the technological introduction of energy factors in a modern industrial social mechanism. Continental America possesses all the essential qualifications for such a mechanism -- sufficient energy and mineral resources, adequate water precipitation, more than enough arable land of proper chemical stability, highly developed technological facilities backed by a trained personnel, powerful research

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THE SCIENTIST OR THE LIBERAL?
A TIP TO TEACHERS

By Howard Scott

[Extracts from "THE IMMINENCE OF SOCIAL CHANGE -- THE IMPACT OF TECHNOLOGY ON A PRICE SYSTEM," a speech delivered at the 71st Annual Meeting of the National Educational Association in Chicago, July 1933.]

§ All of these things bring up questions of how we are going to handle ourselves in the very near future. The manner of arriving at decisions from the time of Pericles to today, socially, has not changed. We still do it on the basis of counting noses, quite contrary to the method used by the scientist, technologist, and the engineer in the determination of any functional sequence.

§ Technocracy therefore proposes that there be entente between those of the educational field, those of the scientific and technical field of this country, and all others in labor and in industry of functional capacity. We must realize that the day is not far distant, at the trends we are now traveling on, when we shall be called upon to decide those issues, not on the basis of foreign trade or of international war debts or the League of Nations, but of men and things in this country. You cannot laugh off 15,000,000 unemployed and 40,000,000 people on the verge of a breadline. At the present trend, it will not be long until you have 20,000,000 unemployed.

§ This is not a message of doom or chaos; far from it. To us, it is a message of hope. For the first time in a century, the human beings on this continent are being compelled to have lucid intervals. If it were not for the starvation and deprivation, I would say another three years would be even more beneficial; but the only thing about that is we are running too close to where the oscillations make it so unstable and that we have interruptions.

§ From that point of view I should like to point out that this change is coming whether we like it or not, whether we assist or not. Like all periods of change, you can take one of two attitudes. One, as a fabricator of conceptual equipment, is attempting to devise conceptual equipment and furniture that is capable of dealing with those changing conditions. If you assume that attitude, you will be moving forward -- we hope -- comparable with the rate of acceleration. The other attitude is to adopt the shabby tolerance of liberalism and proceed to straddle the fence in defense of an obsolete and outworn piece of junk known as the Price System. What happens in the second case is that the intellectual liberal can never make up his mind. He is afraid of a decision. He is always looking for a man on horseback, that is, he will be thought to be a man on horseback by the general public, but he does not really want a man on horseback for himself; he wants a moron on a jackass.

There are these two alternatives facing you today. The second one is probably the easier, safer, and less arduous, up to a certain point. After that it is quite different. . . It will be rather hard to get off the continent. So that you are faced with the proposition of either providing

RADIO ADDRESS FROM STATION WEVD, NEW YORK, NEW YORK

By Howard Scott

February 6, 1935

In America's fifth year of the depression with over 12 million total unemployed and with more than 20 million human beings on relief, 126 million Americans are asked by our political leaders to find solace in the "spiritual values" of their political proposals.

The people of this continent are the most technologically proficient of the peoples of the world and yet, paradoxically enough, we are at the same time a nation of economic illiterates. Just as long as our population continued to have a yearly increment of 1,800,000 and the total physical equipment of this country was being added to at approximately 7 percent per annum, America had no social problems sufficiently significant to impel the collective recognition of the problem upon the molecular mass of the American people. That this was to be expected is only natural in view of the high pressure conditioning which the American people have been subjected to; namely, the national idiocy of a bigger and better business, a chicken in every pot, and two cars in every garage. Phineas Barnum built up the biggest show business of the circus world upon that fundamental American axiom of never giving the sucker an even break. Quoting Barnum's own words, he said, "There is one born every minute!" But in 1935, it is obvious that Barnum was wrong, for in these years instead of one a minute, it must be twins!

We have the ludicrous example of 40 million Americans in their economic desperation casting their ballots to give the mandate to a different bunch of political racketeers in order to derive the vicarious pleasure of being fooled again. You may dislike the preceding declaration, but you cannot deny that the mandate given in the last two national elections was primarily for the maintenance of this obsolete Price System and not for its abolition. Technocracy therefore contends that those of the electorate of this country who did not receive a cash reward for their ballot are deserving of Barnum's appellation, for, in maintaining the Price System, the people of this country are insisting upon holding onto an outworn and obsolete method of controlling our national operations. Technocracy insists that it would be impossible to plan a more efficient method of national destitution than that which the Price System has evolved and enforced upon this nation and the world in the face of potential plenty.

It must be obvious to those in possession of any social knowledge at all that the problem facing the Price System of this continent today is the provision of mass purchasing power sufficient to purchase the mass output of continuous mass production, and that this shall be accomplished with a minimum of human effort and a maximum of human leisure. The solution of this problem axiomatically carries with it the provision of economic security to all from birth to death. Technocracy contends that, therefore, there is no solution possible to this social problem as long as the Price System remains in control, because modern technology is wiping man-hours out of existence by the substitution of extraneous energy and the introduction of more efficient processes. Technocracy conclusively proves that adequate purchasing power necessary for economic security cannot be distributed through the medium of commodity valuation currency and the political administration of this Price System.

Our American Price System is dependent upon a continual creation of debt for its existence. It must create debt in large volumes each year in order to validate the outstanding debt claims and to provide those sources of future debt creation known as investments. The national debt load of the United States in short- and long-term public and private debt claims is in excess of $238 billion. The expenditures of the National Administration to the tune of seven to eight

billions per year is primarily for the purpose of creating sufficient debt through federal enactment to validate the outstanding debt structure of the country. The more the status quo of the Price System is continued in such a manner, the more will taxes be increased, government costs rise, and extraordinary financial priming be continued. In 1934, the total taxes of the United States -- municipal, county, state, and federal -- were in excess of $9,500,000,000. The total cost of government in 1934 was in excess of $15,600,000,000. This figure does not include any interest charges or debt amortization. Every move of our national administration and our financial interests is made for the sole purpose of bolstering corporate enterprise and maintaining the debt structure of the Price System.

The devaluation of the dollar and the raising of prices are for the purpose of creating profits and dividends on a smaller turnover, the theory being that they can maintain the same rate of dividends if they raise the prices in proportion to the increase of unemployment. All of these palliative measures are only footsteps to a fool's paradise of temporary returns. The basic problem still remains, for today in 1935 in the United States of America, life does not begin until after $40.00 per week. Technocracy's analysis of the national income shows that there are over 180 million families in the United States, comprising in excess of 77 million human beings, who are dependent upon an income of less than $40.00 per week per family; or, as the Brookings Institute puts it, 1/10 of 1 percent of the families at the top receive as much income as 42 percent of the families at the bottom of the national income scale. It is self-evident that with a larger and larger proportion of our national income being required to bolster the debt structure and to pay government expenses, the rising prices and the cost of living will lower the consuming power of at least 80 million Americans. Life cannot "begin" for these Americans -- all that is left is subsistence of a low order. Technocracy with its blueprint of a balanced load continental control stands ready to guarantee to the 126 million Americans a standard of living for every adult equivalent to the purchasing power of $20,000 per year in 1929. Technocracy's proposal is a technological control, functional in structure, necessitating the entire elimination of political administration. Technocracy would abolish the Price System with all its attendant social garbage.

In 1932, Technocracy pointed out that a national parade of the dumb, the halt, the lame, and the blind was about to begin. That national parade is on in full swing. We have nationalized Tammany's New Deal, the California Epic Program, old-age pension plans, pleas for social justice, and cries to share the wealth. America might just as well make up its mind that it cannot have economic planning, social justice or guaranteed security under the dominance of a Price System. The political administration of our national affairs is deemed by Technocracy to be totally inadequate and incompetent, irrespective of which political racketeer does the administering. Politics and the financial racketeering of the Price System are blood brothers conceived in the ages of scarcity along with the oxcart, the sickle, the hoe, and the spade; and, like them, they have become as obsolete and must be consigned to historical antiquity. The technology of a new America of plenty will not permit Price System sabotage of our national operations nor will it tolerate either a Marxian insurrection or a Fascist suppression.

No importation of any social theory or philosophy will avail America in the slightest in solving her operation problems of today and tomorrow. Communism, Socialism, and Fascism were conceived outside this continent and belong to the European philosophical proposals to divide up the results of scarcity. Technocracy is not a philosophy; it is a continental engineering design of a social mechanism for the production of plenty. Technocracy Inc. is a continental organization open to all citizens of this continent who are not affiliated with, or members of, any political organization. Yesterday Technocracy was a body of thought that was ballyhooed across the front pages of the world. Today Technocracy Inc. has organized Sections functioning from New York to Los Angeles and Miami to Edmonton, Canada.

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Technocracy is the advance of physical science into the social field. It was originated and developed by Americans from out of the technological sequences of this continent; therefore, being American in origin, it is endemic to the social progression of this continent.

Technocracy is not a political party; it is the Technological Army of the New America! It is therefore the only organization on this continent that can afford to wait. No other one can, because the installation of economic security and adequate purchasing power to all in this country can only be accomplished by the Techocrats of tomorrow.

AMERICA PREPARES FOR A TURN IN THE ROAD

By Howard Scott

March 16, 1935

[An address at the University of Pennsylvania Club, subsequently published as an official publication of Continental Headquarters of Technocracy Inc.]

The road of America's yesterday began at the Plymouth Rock and the James River in the dim Indian trails and the river roads, leading back into a continental wilderness. From these crude beginnings, the relentless drive of pioneer efforts propelled the canoes of the voyageur and the trapper to new hunting grounds. The "ride and tie" and the ox team carried the settler forward to open new lands. From the original settlements on the coast of Massachusetts and the James River of Virginia, men moved ever outward. In the year 1610 on the James River, the settlers had planted thirty acres of corn. America was on the move.

The dim Indian trails became roads. The ox team disappeared, displaced by the horse and buggy and the steam locomotive running on two strips of steel that spanned the continent. Three hundred and twenty-five years ago, America started on its road up to today. Shortly after the beginning of this century, the horseless carriage was born, and the road of America's horse-and-buggy days had to be replaced with a smoother pathway in order to accommodate the speed of the swifter moving vehicle. Broad bands of concrete -- smooth pathways of speed -- grew from coast to coast. These rights-of-way of rush were necessitated by twenty-five million vehicles in their demand for smoother speedways. Those original thirty acres of corn on the James River now exceed one hundred million acres producing in excess of two billion five hundred million bushels per annum, when not limited by drought or the unnatural enforced scarcity of the Roosevelt-Farley Administration's agricultural program.

AMERICA CHANGES TOOLS

With the ox team, the covered wagon, and the horse and buggy went the axe, the sickle, the scythe, the spade, and the hoe -- symbols down the ages of the toil and servitude of men. As the roads of America's yesterday changed from the Santa Fe trail to the Union Pacific, from the Lincoln Highway to the skyway of the Transcontinental Airlane, so, too, changed our tools. Man drove his spade with his own power; assisted by his ox, he pulled the crude plow before the advent of James Oliver, and swung his cradle scythe to reap the crops of yesterday's America. Today, the Diesel engine tractor disappears in the distance at four miles an hour, making sixty duck-foot furrows, and technology has reduced human toil to one-eleven hundredth of that of the spade -- for this machine mastodon will plow an acre in .088 of a man-hour. Our railroads of yesterday were built by pick and shovel, brawn of our ever newer Americans; our canals were dug by the same power; our mineral wealth was mined from the earth mainly by pick and shovel which, at the later date, were assisted by powder. Then followed dynamite and machine tools. Today, technology has designed and built these giant machine excavators, the modern power shovel, that will take twenty cubic yards at a bite and deposit it in the cars that move it away at an elevation above which it is dug greater than the height of a six-story building. The ghosts of six thousand men with shovels stand silently in the background of this great shovel as mute testimony to the displacement of human toil.

The modern continuous strip-sheet steel mill, twenty-one hundred feet in length, with 32,000 HP of connected motors, is rolling sheet steel ninety-six inches wide at the rate of 760 feet each minute. A few men on the control bridge tend the switches of this automatic giant of the steel industry. No more will men sweat and toil in danger of their lives from flying strips of red-hot steel. Modern technology has rendered them useless as power providers and placed them where they can watch the white-hot ribbon of sheet steel run through continuously to be finished at the end with a precision to within .004 gauge.

COTTON PICKERS

When Ely Whitney completed the cotton gin, he made possible the immediate extension of cotton cultivation by slave labor. Herbert Spencer said that when Ely Whitney walked out of his workshop in Georgia with the completed cotton gin, anarchy was born. Cotton, that great single crop on which such a vast proportion of American agriculture depends, remained dependent on human hands for its collection. Picking cotton has been eulogized in song and story, mostly as that delightful occupation indulged in by happy negroes amid snowy fields of white. To pluck the snowy cotton from the cotton boll is arduous toil in the broiling sun and seldom does a man average more than one hundred pounds in eight hours. That was yesterday. If Herbert Spencer still lived, he would say today that more anarchy was spawned when the Rust Brothers' cotton picker went down the long rows of cotton at the Mississippi agricultural testing station of the Department of Agriculture. Propelled by an ordinary farm tractor, it picked the cotton from two rows simultaneously, and accomplished 8,200 pounds of picked cotton in seven and a half hours. Modern technology tomorrow will make four, six, and even eight row cotton pickers, using the Rust Brothers' original invention; but it is significant to note that this two-row cotton picker which can be attached to any power-drive tractor is going to be produced in quantity by the Southern Harvester Co., Memphis, Tenn. It won't be long before the negro singing in the snowy fields of white will exist only in the storybook.

In the sugar cane fields of north Queensland, Australia, the high cost of white Australian labor gave an Australian engineer named Faulkner his opportunity. Today, the Faulkner Sugar Cane Harvester is running down the rows of sugar cane in north Queensland and both the oriental and the white Australian no longer cut sugar cane by hand. The Allis-Chalmers Corporation of Milwaukee, Wisconsin, is now producing the Faulkner Harvester and several have been shipped to Cuba after having been modified in their construction and improved to meet Cuban cane conditions. A few more Faulkners in Cuba and the Haitian and Dominican negroes, who come every year to harvest the cane crop of the island, will no longer come to Cuba!

With the coming of the Rust Brothers' cotton pickers, the peonage of hand-picked cotton is doomed, and several million negro and white sharecroppers will be eliminated from the agricultural picture of America and also from a means of livelihood, poor though it may be.

As America grew from Indian trail to roadway, from roadway to highway, and from highway to skyway, so, too, did our tools change along with our processes and our methods. With primitive hand-driven tools, we opened up one frontier after another and, as our frontiers disappeared due to the rapid development of transportation, communication, production, and distribution, not only did our tools change but our methods of driving them and controlling them also were altered.

TECHNOLOGY'S GRAND MARCH

Technology had at last started on its grand march, a march that began a little over a century ago, but is really only getting underway now; and yet, so tremendous has been the effect of technology in this short time, that not only did our frontiers disappear, but, strange to say, our employment of human beings reached an all-time peak in the year 1919 -- a peak never to be seen again so long as a Price System dominates America.

Since that time, technology has been closing the gaps and accelerating so that, while production in physical volume did not reach the maximum until 1929, employment oscillatingly declined from 1919 on. The technologist and the engineer in designing and installing modern machinery and other energy-consuming devices have inadvertently laid down a social pathway to a new economic order -- a pathway that America must travel whether she likes it or not. The history of American technology is also the primitive morphology of the New America of tomorrow.

Our forefathers in attempting to guarantee to future Americans life, liberty, and the pursuit of happiness, placed their hope of fulfillment in political liberty and reckoned not that the day would arrive when the interference control of the Price System would conflict with the development of technology -- that America would be compelled to make the rich richer and the poor poorer. The ever-expanding America of yesterday in its opening of new frontiers and the uncovering of new mineral wealth, combined with an ever-widening agriculture, was the land of golden opportunity to the emigrant peoples of Europe, providing opportunity to work their way to a higher standard of living than that which they had known in the country of their birth.

America became the industrial giant of the world in this 20th century, and then the rate of expansion of our economy started to decline. This was first noticeable in a few instances in the year 1910. After 1920, it became more evident, and men of affairs dismissed the significance of this change of rate by glorifying American initiative and invention with laudatory proclamations to the effect that new industries would be born and would be a cure-all for this condition. The tidal wave of debt-created prosperity of the Coolidge and the Hoover regime engendered the national psychology that not only was bigger and better business possible, but that bigger and better business would continue ad **infinitum.**

In retrospect, the economic stupidity of our national leaders of the last decade is but a demonstration of the charming naivete of economic adult infantilism. Our national leaders of the past two decades have always proclaimed the inherent soundness of the Price System. Their voices have always been raised in defending and boosting their own America. Their America was a glorious hunting ground where private corporate enterprise was permitted the privilege of creating debt claims against others faster than they were created against them. It was heads I win, tails you lose; no one else could possibly win. Every consumer was a sucker, legitimate prey for the corporate enterprise of yesterday and today.

In the race for lower operating costs and more profits, corporate enterprise in America employed more and more technology. The technologist and the engineer devised new processes, discovered new materials, and installed faster machinery. Each new discovery, each new process, and each new machine consumed more extraneous energy in a given time period, but always its ratio of production to its energy consumption kept increasing. The efficiency of each new process or equipment increased with the growth of total equipment. As the total number of energy-consuming devices grew, so did the production, efficiency, and speed of these devices increase. Production and distribution became larger and larger consumers of extraneous energy, that is to say, they consumed more and more energy from coal, oil, gas, and hydroelectric power.

While the peak of our national employment occurred in the year 1919, our extraneous energy consumption continued to rise until 1929, production mounted also until 1929, but employment had decreased from 1919 to such an extent that in 1929 -- the year of our greatest production of physical goods and services, there were between two and three million totally unemployed adult human beings in the United States. And now, in 1935, in the fifth year of the "depression," after an expenditure of $7,100,000,000 of financial priming which has raised the production index fifteen points, it is interesting to note that the total unemployed varies between the American Federation of Labor estimate of 11,400,000 and that of the Alexander Hamilton Institute of 15,700,000. In March, 1935, the last figures on relief for the preceding month show the federal government to be maintaining 22,370,000 individuals on the relief rolls of the United States.

TAXES AND SPENDING

When one realizes that the expenditure of most of this financial priming occurred during the year 1934, when the total taxes in that year -- municipal, county, state and federal -- exceeded $9,500,000,000 and while the cost of all government exceeded $15,600,000,000 (exclusive of debt and amortization charges), one is compelled to ask the question whether our industrial leaders believe that the creation of more debt will cure the ills of this debt structure. It is similar to the theory that ptomaine poisoning can be cured by a further diet of putrid fish.

The creation of monetary wealth under a Price System can only occur through the creation of debt; but, in the conflict of the Price System with modern technology, this America of ours has reached the close of an era and the dawn of a new one. The increase of technological efficiency and the abundance of technological production and distribution, which in the past made possible the greatest debt creation in all human history, has at last brought about the condition where the creation of further debt only ends to aggravate the disease.

HUMAN LABOR

Once upon a time, the laborer was worthy of his hire, and human effort produced all wealth, but this was only true in the days of Adam Smith. Human labor today is used only where the technologist has not yet applied an energy-consuming device to do the job. Human effort costs too much to compete with the energy of coal, oil, gas, and hydroelectric power. The use of .44 of a pound of coal under the direction of modern technology is equal to the contribution of eight hours of any human being's physical services. It has the further advantage that it performs without the deficiencies of human temperament. Neither the laws of gravitation nor energy conversion are on the statute books of our country, but they operate just the same, and no one ever disobeys them. They are their own police power and their own judiciary.

The problem, simply stated, is the conflict between the advance of physical science and our outmoded social institutions with their methods of controlling national operation. The alternative is equally clear. Civilization on the North American continent is in a much more serious position than when Lincoln declared that this country could not exist half slave and half free. Today, in order to save the Price System, we shall have to stop the advance of physical science and technology and return to the steady state of operation of an agrarian economy, or we shall have to face the advance of physical science and technology into ever more divisions of our social mechanism -- and that has but one end: we must choose between the Price System and the technological advance.

Yesterday, it was possible through the creation of debt to pay out in the production of capital goods sufficient wages and salaries to equal or exceed the capital drag-down that was added to the cost price in the sale of consumer goods, thereby creating an apparent equilibrium in the national purchasing power. This process of maintaining an apparent equilibrium of purchasing power was dependent on the proposition that our national economy should expand at more than five percent per annum, thereby enabling the debt merchant of our American Price System to capitalize this annual increment of expansion into debt claims or mortgages on future generations of Americans. As long as our economy kept growing at five percent per annum, this was possible, but the American debt merchants forgot -- or did not know -- that even debt growth comes to an end, and the America of debt has had her day.

PURCHASING POWER

In their haste to create debt, they called on the technologist and the engineer for ever lower operating costs, and once the peak was passed, every lowering of cost eliminated purchasing power and potential consumers. Purchasing power in a Price System is directly dependent on the total wages and salaries paid. The total wages and salaries paid out in our national economy

are proportional to the total man-hours consumed in all national operations. Three major factors have combined to eliminate man-hours and, hence, to abolish consumers. One is the substitution of extraneous energy for man-hours under the dominance of technological control and the instrumentality of the energy-consuming machine devices; second, the decline in the rate of growth of the population of these United States from an annual increment of 1,800,000 per year to less than 800,000 per year; third, that, while all other rates of growth -- both human beings and other energy-consuming devices -- have passed their inflection point and are leveling off, the rate of growth of debt continues merrily upward, bound for the blue sky of the financier's heaven! This last necessitates an ever-greater proportion of the national income to meet its interest and amortization requirements. The combination of the above three factors in conjunction with the efficient development of machinery and processes is ever increasing the rate of productivity per worker employed; so much so that productivity per man-hour has increased faster since 1930 than at any previous time in American history. From January 1, 1930 to August, 1933, the increase in productivity per man-hour was 39.2 percent, and since then the productivity per man-hour has increased considerably more, but 1936 and 1937 will witness greater increases than were ever known.

In June, 1936, the power of Boulder Dam will flow over the power lines into Los Angeles and the power from Muscle Shoals, Wheeler, and Norris Dams will be transmitted over several states. This power must be consumed, and the more it is used, the more complicated our problem becomes. The public works of the PWA projects will throw into the agricultural picture millions of acres of high-grade irrigated productive land, producing two or three crops a year. The national insanity of enforced scarcity will become more imbecilic with every technological advance. Yesterday, corn, wheat, and pork were the great items of our export trade; yesterday, the world consumed the major portion of the American cotton crop. In 1934, the world consumed only a fraction of its former consumption of American cotton, and today, in 1935, American cotton consumption by the rest of the world will be in all probability even smaller. Brazil, which in 1929 produced over a million, Brazilian estimates for 1935 production exceed 1,500,000 bales. Russia, a cotton importer since time immemorial, will this year produce, if weather conditions are normal, in excess of 3,000,000 bales, which is a long, long jump from the primitive cotton production of prewar Russia. China, India, Sudan, Kenya Territory, Peru, Mexico are all increasing their cotton production.

JAPANESE LOOMS

America's foreign market for cotton will soon be a thing of the past, for the Japanese with 9,000,000 spindles operating in excess of 600 spindle-hours per month are dumping on the markets of the world 2,300,000,000 square yards of cotton goods. America, with 31,000,000 cotton spindles, succeeds in operating from 22 to 25 million of them at a monthly average of 195 hours.

American citizens, the Filipinos, are gliding on the streets of Manila on bicycles made in Japan and sold in the Philippines at $5.65 each. Russia has always been an importer of newsprint, cement, and agricultural implements. In 1934, Russia exported $36,000,000 worth of tractors, plows, mowing machines, and other agricultural implements. Russia no longer imports cement or paper and may at any time in the near future become an exporter to the world of these products. Russia today is the largest producer in the world of plywood and the second largest in the world in the production of oil and pig iron. In 1937, Russia will be a producer of tea and who knows but that, although she's now the largest importer of tea in the world, she may become an exporter of that product?

These examples are cited to show that technological development is not the particular possession of any race, creed, color or national enterprise. With Japan exporting lead pencils, matches, electric lamp bulbs, automobile tires, rubber boots, bathing suits, silk shirts and stockings, along with a choice collection of rayon goods, toys, steel pipe, automobiles, bicycles, and even jackets for our "hot dogs," it behooves America to forget the open door in any other part of the world and to open the door to greater purchasing power at home.

CAPACITY TO PRODUCE

Since the advent of Technocracy in the national and world picture in 1932, there have been put forward many statements on America's capacity to produce. Some of these learned estimates of America's capacity have run into several volumes of the printed page and yet one fundamental error is common to them all: all of the estimates and calculations on America's capacity, while inspired by Technocracy's findings, have been predicted upon the theory that America could increase her capacity under the interference control of the Price System and that the present capacity of America and the estimated possible increase could be obtained under a planned operation of all of the facilities of production and distribution; thereby introducing the totally erroneous proposition that planning is possible under a Price System and its political administration!

These estimates of America's capacity to produce have been pseudo-statistical propaganda put out by the Coue psychologists of our national debt merchants. In order to counteract the growing prevalence of the abundance theory as expressed in plenty for all, these propagandists of the debt merchants have skillfully hidden the fact that their estimates are based upon a single shift in our industrial operation, which in most cases means one 8-hour shift in the 24. Modern technology defines full-load operation to be the 24-hour operation of all equipment and processes for 365 days in the year at full capacity. Thus, it is seen that at full-load capacity America has installed today sufficient obsolete industrial equipment to produce from two to three times the estimated total production of these apologists for the Price System.

Capacity to produce is impossible to determine except by defining the maximum of social usage for any product or service. An example -- one of the many thousands that may be cited -- is that a pound of special strip steel will produce several hundred safety razor blades. If capacity is calculated on a single-shift basis for the machines which produce razor blades, then full-load capacity or 24 hours a day, 365 days in the year, is several times the existing capacity. Witness now the double-dealing under a Price System. The machine that produces razor blades is not concerned whether the razor blade shaves 4, 4,000 or 40,000 shaves per blade, but the manufacturer and distributor are deeply concerned. The manufacturer and distributor of razor blades are required under the rules of the game of the Price System to create debt claims against others faster than debt claims can be created against them. Therefore, good business in razor blades will consist in selling the public a blade that has the least cost involved in its production and distribution, combined with the maximum competitively allowable price and the minimum of use. Therefore, the production of a four-shave razor blade, although ultimate social waste, is considered good business practice in the here and now. While production of a 4,000- or 40,000-shave razor blade is social economy, it would be business suicide today. It is therefore obvious that if there exist 250 percent over-capacity in razor blade equipment for the present market at 4 shaves per blade, the same machinery can just as well produce, in the same time, razor blades of 4,000 shaves per blade and immediately the over-capacity rises a thousand times the 250 percent!

PRICE SYSTEM LIMITATIONS

This illustration is given to show that the full technological capacity of any set of equipment that is at present installed cannot be utilized while operated under the limitations that the Price System imposes upon any product or service; namely, either restriction in the output of raw materials or a limitation of the serviceability of mass-produced products to insure a rapid turnover. Capacity to produce can be correctly defined only as the continuous full-load capacity producing the maximum amount under a given operation, the resultant product of which consumes the least energy per unit of time-use. It must be apparent, therefore, that a planned operation of our production and distribution on a balanced-load method of operation is physically impossible of attainment under the interference control of a Price System and its political administration.

No capacity can be calculated nor can any plan of operation of any or all of the installed equipment of America, so long as we propose to control the rate of flow of goods and services coming from this technological equipment by a process of commodity evaluation. Our currency, whether based upon gold, silver, salt or sugar, is a process of evaluating all goods and services in terms of some one selected standard commodity. So long as monetary tokens arise solely through the creation of debt and are used to evaluate all goods and services in the further expression of debt, technological America can neither be measured nor controlled.

In the early days of America, say, in Andrew Jackson's time, when the total population in the United States was approximately 12,000,000, over 95 percent of that number derived their livelihood directly from the soil. Only after they had produced sufficient to maintain themselves did any goods move into the national flow lines of transportaiton and distribution, and this was only a small percentage of the total production. It is well to remember that these Americans of Jackson's day lived on the soil and obtained their livelihood from it through the use of hand-driven tools. At the same time that the small volume rate of flow existed, 95 percent of the tokens of monetary wealth of that America was in the form of hard money or commodities. Today, 1935 America has more unemployed than the total population of the America of Jackson's day and 74 percent of our total population of 126,000,000 Americans no longer derives its livelihood directly from our native soil.

ANARCHIC RESULTS

Today, in 135, 95 percent of our tokens of monetary wealth is in debt claims and only 5 percent in currency, so that it is obvious that the control of America's economic highway of today is in the hands of the major holders of debt claims. These holders of debt claims are insisting that their pound of flesh be exacted at every tollgate that they can maintain on the highway of America's progress. Every tollgate of debt collection acts as a bottleneck which retards the flow of purchasing power instead of accelerating it. How long will it be before our national leaders of finance and politics become conscious not only that America cannot spend her way out of this national situation, but also that more of the same medicine of the Price System will lead to further social instability with its accompanying anarchic results?

America has her choice of maintaining the Price System with its rules of the game or of substituting for it a technologically controlled social mechanism for the production of plenty. In 1932, while Mr. Hoover was still President of these United States, Technocracy made the following statements in the public press of the country:

> "America can no longer deal with the lack of purchasing power, unemployment or debt by individual establishments or businesses, but only as parts of our industrial concepts in a continental order of magnitude. The directors of our national enterprise will be compelled, under the exigency of a Price system, to have no choice of alternatives except that expedient, narcotics. The next few years will witness a succession of remedial palliatives to be offered by our legislative bodies, our financial institutions, and social organizations. America in that period will witness a national procession of the dumb, the halt, the lame, and the blind, stumbling from one futile gesture to another into a final sublimation of fear. That procession of the blind will include all the essence of futility in its many varied forms from the mild buck-passing program of share-the-work to the anticipated probable legislation of rent and private debt moratorium to those twins of finality, the dole and complete inflation. These directors will now, or in the near future, be called upon to solve these problems. It is their ship of state, and if they cannot find a solution, the **force majeure** of continental conditions in the next few years will bring forth those who can. Technology has written **'mene, mene, tekel upharsin'** across the face of the Price System."

PARADE OF INCOMPETENTS

When forty million Americans voted for the New Deal of the Roosevelt-Farley nationalized Tammany machine, the problem was not solved; the mandate merely transferred control to another gang. Since that time, the social ferment has been working, and, in swift succession, Upton Sinclair's Epic Program, the Utopians of California, Townsend's old-age pension plan, Father Coughlin's league for social justice, and Huey Long's share-the-wealth method to make every man a king, have blazed their way across the front page and blared through the loud speakers of every radio set. A national parade of functional incompetents is certainly taking place with a vengeance, with General Hugh Johnson as one of its leading drum majors.

The predictions of Technocracy are bearing fruit, and, as Technocracy pointed out several years ago, America nears the end of the road of private enterprise, of commodity evaluation, of debt creation and political administration. The American people have had a grand time traveling along this road. They have passed many milestones of transition in its length, but all things come to an end someday. It is a short alley that has no ash barrels, but a long road that has no turning. America's long road is already turning and across the valley lies the four-lane express highway to a new social order. Social change is here; America is in the midst of it. And there will be greater social changes in days to come. Sometime between now and 1940, America will have to set its wheels in motion on that new express highway bound for the "New America of Plenty." America can no longer control its national operation through the obsolete methods of political decision. Political administration of the affairs of the North American Continent is a mere perpetuation of the national insanity of racketeering on a mass scale. The national leaders of yesterday were but the reflectors of public opinion. If this nation continues very much longer under the nominal leadership of the present reflectors of public opinion, America will reach the end of this road in the swamp of mob hysteria. It is high time that every thinking American realizes before it is too late that America's economics of yesterday and today is a grand and workable racket just so long as it maintains its payoff; but when it can no longer do so, it becomes a national washout.

AMERICA OF TOMORROW

Technocracy points out that the America of tomorrow will have to abandon political administration of its national affairs; that only a technological control of all energy-consuming devices will obtain sufficient precision and measurement for the requirements of an America of plenty; that Technocratic New America must operate its physical equipment at continuous full load with maximum efficiency in order to provide security to all from birth to death and equality of income for every adult at the highest standard of living compatible with wise conservation of its natural resources. Technocracy will provide mass purchasing power sufficient to purchase the output of continuous mass production and, as the total purchasing power of a Technate is a certification of the net cost of all goods and services, it will therefore at any time purchase the total volume of goods and services extant. Purchasing power is the crux of America's problem, and a solution to that problem can be reached only through an energy medium of distribution. The currency of tomorrow cannot be a medium of exchange. It must never be permitted to possess the prerogative of creating debt. A scientific medium of distribution must be devised. Only through such a medium can the America of tomorrow provide mass purchasing power to its people; a medium which cannot be begged or borrowed, loaned or stolen, saved or accumulated, and possessing only one prerogative that may be exercised by the individual to whom it is issued; namely that of spending it.

Political liberty is a dead issue in America today. Political liberty confers only the power of occasional expression upon the individual citizen. There is but one real power that can be conferred upon any citizen on this continent today: that is sufficient and adequate purchasing power. For the first time in history, the power of social decision would be placed by Technocracy Inc. directly in the hands of the people themselves. Americans must never

forget that as you consume so do you have power. He who consumes not is powerless. Technocracy would confer equal purchasing power upon every adult citizen as a constitutional right of the people which even the Technate of a Technocracy could not abrogate. Political power is founded on the racket of spending other people's money. It has become the established custom that the representative of the people, the politician, is the only one competent to spend the people's money. That he has been permitted to do so is chiefly for the reason that the citizens of any previous social system never had sufficient money of their own to learn how to spend it.

UNDER A TECHNATE

Under a Technate, the citizens for the first time would enjoy the exercise of the only power that exists in a modern social mechanism. The power to rule is therefore vested in the power to consume, with equal though not transferable consuming power conferred upon every citizen of the Technate. The decision to exercise that power may be made by any citizen every day in the year if he so desires. No citizen waits for periodic elections to express his opinion or his desire in the social mechanism. He renders his decision every time he purchases any product or service anywhere within the domain of the Technate. All people in a Technocracy receive equal purchasing power; they will require no representative of the people to spend their "money" for them.

The technology of the New America of tomorrow can be administered only by a technological control, continental in scope and functional in structure. Any mob direction of America's destiny on the basis of any horizontal stratification of our social structure would be in conflict with the social destiny of this continent and nationally disastrous.

Technocracy points out that a vertical alignment only of all functional capacities necessary to run and control all national operations will be required and that such a vertical alignment must be welded into a disciplined body, continental in scope, under the direction of those who are technologically proficient and whose scientific training fits them to properly interpret the blueprint and specifications of the New America of tomorrow.

Technocracy stands ready when America reaches the turning of this road to bridge the transition from the obsolescent roadway to the four-lane express highway of America's tomorrow!

A RADIO ADDRESS FROM STATION KFAC

By Howard Scott

October 14, 1935

[This radio address was made available in printed form in THE TECHNOCRAT, Aug., 1935]

What constitutes living? There are many and varied definitions, but from the standpoint of the technologist, living is a term used to describe the functioning of any organism on the area in which it exists.

One hundred years ago, we had a population of slightly over 12 million. In the United States at that time 75 trillion BTUs of extraneous energy were consumed per annum. Our population at the last census was 122 millions, and in 1929 the energy consumption for this country was approximately 27,000 trillion BTUs. Thus, in 100 years our population increased approximately tenfold, while our total extraneous energy consumption increased 353 times. This change has resulted from the introduction of many new technical processes.

In this new industrial order, the machine was no longer conceived as an extension of the hand tool. It became a moving, mechanical element in a sequence of events, the course and rate of which had been arranged in strict accordance with the exact computative calculation of science.

The steady state of any social system of the past was set up and limited as such because no nation in history possessed any other engine of energy conversion than that of the human being. The tremendous acceleration in the rate of doing work has altered the entire physical complex of social existence.

In 1929, with a total population of approximately 123 million in the United States, of which approximately 49 million were potentially employable, the national income was $81 billion. Now, of the total numbers of families, 42 percent had yearly incomes of less than $1,500, and from this it follows that a total of 23 million adults had an average income per month of less than $62.50 each. Thus, .1 percent (one-tenth of one percent) received as much as 42 percent of the families of this country in 1929.

When considering the words of those sublime optimists who hold out the enticing inducement of $200 a month for all adults as a readily obtainable objective for the people of these United States operating under the Price System, we Americans would do well to remember the fact that such an income under the Price System rules and regulations would necessitate a national income of $180 billion a year. This would require a national debt structure of over $800 billion.

Since the American Price System is no longer able to greatly expand its national economy, it cannot capitalize a sufficient increment of the whole to validate its outstanding debt of $238 billion of long- and short-term public and private debt claims. It becomes increasingly obvious that as new debt is not created fast enough to provide sources of investment for the incomes accruing from the outstanding debt claims, the liquidity of all financial institutions will tend to increase towards 100 percent, while, inversely, the rate of interest will tend to decline simultaneously toward zero. These trends are at present clearly in evidence and result in compelling the government to take over the prerogatives of debt creation from private corporate enterprise in order to create sufficient debt to save the existing debt structure and provide the rich with sources of investment.

Since 1920, the production per man-hour, as shown in 69,000 establishments, has been rising continually. What is the significance of this? A recovery to the 1929 level of production of goods and services would result in the reemployment of only 5,000,000 of those now unemployed. Technology throws people out of work. It is wiping the bottom out of all values. How can we continue to operate under this fallacious financial setup?

Inherent in the government of all Price Systems is the basic proposition that any decision may be arrived at, any problem may be solved, the conflicting opinion of all citizens molded into a common consensus, regardless of whether this consensus is obtained by democratic ballot, autocratic edict or revolutionary fiat. This basic proposition of all political administrations' control sufficed so long as man was the chief provider of power in the performance of all necessary work within the social state, because so long as such condition maintained, there was no other means of providing energy except that converted by man from his required food, air, water, and solar radiation; and, therefore, no knowledge existed in the collective sense sufficient to incur any change whatsoever in the basic operation of the social mechanism conducted under the jurisdiction of political government.

In the America of today, the political methods of arriving at social decisions affecting continental control no longer have any meaning, and if it were not for their interference control, they would have no relevancy whatsoever to the present social picture.

With the realization that unemployment in North America is chronic and permanent will come the attempt of manufacturers and businessmen to increase the efficiency of their processes and equipment in order to lower the cost of production and distribution so that they may produce certain goods and services cheaply enough to fall within the meager purchasing power range of the 20 to 25 million human beings whose existence from now on out is relegated to that category of being just above starvation and far below a normal standard of living.

On the other hand, the operation of this continent from a technological viewpoint has tremendous possibilities. On this side of the picture, Technocracy has made some interesting calculations. If the wheat of this country had to be produced with a spade, it would take five million men to produce 800 million bushels. If the soil were tilled with the best equipment, it would take less than 5,000 men to produce 800 million bushels per annum. Or consider the subway system: the total number of people employed in a subway fare collection system is greater than the total number of employees actually operating the mechanical equipment of the system, including the power plant. From an energy standpoint, it is cheaper to provide free local transportation.

This type of calculation requires that we dispense with a number of old habits of thought. Take the matter of the kind of income we could afford to have. We have been conditioned to the idea that jobs are different and men are different and therefore justly receive different compensations. Consider, however, the fact of the enormous expenditure of effort necessary to keep the records to maintain this differentiation of income among the people of this continent. It becomes technically unsound to attempt to differentiate between incomes when there is plenty for all, because of the cumbersomeness and costliness of such practice. We have arrived at this, not from any philosophy of right and wrong or human equality, but from the simple technical reason that to do otherwise would cost too much. If technologists were operating this country, they could not afford to penalize anyone on that basis. The cost of collecting would be greater than the advantage gained, and, moreover, this would upset the income balance of the country.

The operational as well as the sociological implications and possibilities of such a controlled system are astounding. The quality of goods to be produced would no longer be the cheap and shoddy variety turned out at present. Instead, the criterion by which goods would be judged would be the energy cost per unit of service, and those goods would be produced which by experimental test were found to cost the least energy expenditure per unit of service.

The Technate would not be interested in the expansion of consumption for its own sake, since no profits can accrue. On the contrary, the need of conserving our raw materials would discourage wasteful practices of all kinds. There would be no advertising or salesmanship. As any large retailer or advertising concern now knows very well, but for such practices the present consumption of goods would be considerably reduced. It follows that in a Technocracy, where a very ample variety and quantity of only the best goods would be available for all, the rate of consumption instead of expanding would probably tend to contract or at least reach a state of equilibrium at a moderately simple mode of living.

As a final conclusion, Technocracy Inc. clearly states that there are but two alternatives that may honestly be chosen. First, the citizens of this country may accept the vagaries of fortune of this Price System and attempt to patch it up for a little while longer, thereby demonstrating that dominant fixation of adult infantilism in an economic Santa Claus; or, secondly, the people may be convinced either by the facts of today or the relentless urge of an empty stomach that a higher standard of living not only can but must be. Let us, then, with the fortitude of our pioneering forefathers face the situation and the fact that a New America of Plenty is only possible as and when the people of this country so organize as to eliminate the outworn Price System in its totality.

AN ADDRESS DELIVERED BY HOWARD SCOTT
(Untitled)
AT THE ENGINEERING AUDITORIUM
NEW YORK, NEW YORK

December 6, 1935

For thousands of years, human beings believed this earth to be a flat disk around which the sun revolved and that the earth was the center of the universe. In 1543, Copernicus published his epoch-making work, yet it wasn't until 1610 that Galileo was able to demonstrate the correctness of Copernicus' theory. Several hundred years before that, Aristotle had enunciated the beautiful proposition that objects fall to the earth at a speed proportional to their weight -- and human beings never questioned it. It was accepted as an absolute truth.

And so, too, for thousands of years man has conceived of the social system as being one in which human beings could only have a certain maximum of livelihood and that all decisions involved in human life were predicated on the just and ethical conduct of the individual. Just as Galileo and Copernicus upset the concepts and beliefs of thousands of years, Technocracy has been epochal by stating -- for the first time in history -- the mechanics of the social order in quantitative terms. So far, we have never been successfully challenged in our technical findings.

Two years ago this month, the front pages of American and world newspapers carried headlines on Technocracy. (One California paper ran Technocracy front page for 29 consecutive days, and the OSAKA MAINICHI, with over three million circulation, ran about half that space.) Yet today few people, comparatively speaking, know what Technocracy really is or what it has proposed to do.

At a conference meeting at Teachers College, Columbia University, we predicted the closing of the banks on or before the following April, and Dr. Reynolds, principal of Horace Mann School, said, "You Technocrats cannot possibly mean that the banks will fail. The banks cannot possibly fail because we have the Federal Reserve Bank." Nevertheless, the banks did close. The insanity of the Technocrats must be viewed in quite a different order.

We also stated that the North American Continent had reached a stage of development it had never before known, and that the reason for this development was not the usual one given. The picture was not one of human quality or antipathy. Technocracy stated that the development of the Price System reached on this continent is unique in that this technological stage has arrived with a financial system consisting of debt claims, mortgages, bonds, and other forms of amortized securities.

The nation has made the transition from General Jackson's day of 1830 when 25 percent of the tokens of wealth were in hard money or commodities, to today when 95 percent of the tokens of wealth are debt claims and only 5 percent are in currency. They capitalized year after year until they had piled up a great pyramid of debt -- $238 billion. They had a grand time doing it.

Technocracy stated in technical terms that you can only create debt provided that you have an increment of expansion upon which to create. Just as long as you can create debt, a Price System works. It was pointed out that the purchasing power of the Price System is directly dependent on the total man-hours consumed in the operation of the system, and that the total man-hours in this country reached its maximum in 1919. There has been a gradual decline since that time and a lower level of purchasing power.

It was also pointed out that as purchasing power is increased the number of human beings on the area is increased up to a maximum. The birthrate will increase until it reaches a maximum and will decline thereafter until it arrives at an equilibrium. Our birthrate will level off because our rate of increase in energy consumption is leveling off, so that you can look forward to the birthrate equalling the death rate with a static population of about 130 million in 1940.

Technocracy predicted all of these things. We predicted the present situation away back in 1921. We stated that on or before 1930, this continent shall have produced 28 million automobiles and 9 million telephones, and that a crisis would arise about that time. Technocracy was wrong; it beat us by a few months, and that percentage of error can be justly allowed under the circumstances.

We have stated that you can go in for all kinds of 'juggling', but that these trends of population, man-hours, and energy consumption will be maintained. If this is so, there is no cure, no solution of the problem by any of the means used by human beings in history up to this time. We are now dealing with the mammoth problem -- one unlike any the human race has had to face before and will ever have to face again. This unique situation has come about and compelled our attention. Technocracy is the only organization that has laid down in a definite manner a social system of production and distribution that will function on a balanced load principle.

He who Creates an Idea

It is true that we have imitators. Upton Sinclair (I, Governor of California) proclaimed that the EPIC Movement would bring Technocracy to California. The Utopian Society has lifted many things from Technocracy -- in fact, most of its program with the exception of its ritual. We find it in all places from the President in the White House to the man on the street. They take just so much from Technocracy but stop when it comes to accepting our social design or conclusions. Father Coughlin in his broadcast the other Sunday was using a Technocratic approach very ably but ended up as a lame duck in his conclusion.

He who creates has but one purpose: to have it stolen by other human beings. Human psychology is such that if people have to steal anything, they will desire it more highly. The famous Thomas W. Lawson had a large estate in New England and offered a cherished suggestion to beautify the roads of his county; but the county supervisor did not accept the idea of furnishing the roadsides with hedges of roses; so, Lawson had rose hedges planted on his own estate, and they were so attractive when in bloom that many people from distant parts came to observe the display. One day the gardener announced that over 200 of his rose hedges had been stolen and remarked, 'We cannot allow this to continue."

"Complain and threaten them with arrest,' ordered Lawson, 'but never catch any of them, and see that you order more rose bushes.'

Today you will find rose bushes in every direction in that area. Technocracy, too, does not mind people stealing its ideas. You are welcome. You will never be able to go back to the old ways. Our position with regard to all of these social propositions is the same: they can go only so far and then they will either have to stop or go the whole distance with Technocracy.

Unfortunately, perhaps, for us, we did not have the money in 1932 to put on an organization campaign. We have never been subsidized, never had an angel. We have done without money, with barely enough to buy gasoline to send men from one place to another, but we have a vitality that is astounding. We have our study classes running, and we will graduate a corps of speakers that will be trained to carry this message to the people of the North American Continent.

We are organizing a type of individual unknown in history. No other organization on this continent has ever been built on a condition of functional capacity, including every range of human activity. It is more than surprising that we have experienced the growth that we have. Watch our meeting at Green Bay, Wisconsin, tonight, for instance. One of our speakers is finishing a tour tomorrow night in Appleton. That same speaker will be in St. Louis on the 12th, Chicago on the 14th, Detroit on the 16th, and Cleveland on the 17th. We have another speaker in Alberta for meetings in that area. These men have done this without any high organizing salaries. If you have any illusions about going into this organization, if you think you are going to make any more than is offered on relief projects, you are mistaken. Technocracy isn't a racket. It is entirely different from any other kind of organization that has existed in this country. We have no illustions as to where we are going; but we find, on the other hand, that many people do have these illusions.

We find that some people consider it even more respectable to be compared with communists than with Technocrats.

A prominent individual once said, 'I will tell you that we are not worried about being told we are robbers or crooks; we don't mind advertising opposition; but when someone tells us that we are incompetent and proves it, we don't like it! Calling one names means nothing, but actual blueprinting -- that becomes dangerous!

Technocracy has never participated in political action and never will. You cannot be a member of any political party and be a member of our organization. We don't rule voting as constituting membership in a political organization, but we do look at it as one of the idiosyncracies of the human mind. If you are intelligent enough to be a Technocrat, then you will see that you are paid for your vote.

In many ways, there is a condition here that is unknown in any other country. We have more ability than any other part of the world's surface of equal size. We can demonstrate more and better equipment than many countries put together. This has been an astounding progression.

Intellectual Liberalism

The intellectual of foreign countries will sell out for a price, but on this continent he will sell out any cause for nothing. That beautiful double-crossing of yourself and your fellowmen is more evident here than in any other place in the world. As a nation, we have been psychologized by the politician and are so accustomed to be lousy that we don't know anything different. The politician is the louse of the Price System, and he will stick to you to the end. No engineer would attempt to decide any issue like you attempt to decide issues today. You don't vote on the engineering principles of bridge construction, power plants, etc., and if you did, it wouldn't accomplish anything. The telephone company bondholders and subscribers are not consulted when a new telephone system is designed, and if they were consulted, it would be totally irrelevant because they don't know anything about it. People are filled up with the bologna that they are capable of managing the affairs of the country. Yes, it was a wonderful country when the Indians had it, but the only trouble today is that we cannot even give it back to the Indians. They wouldn't take it! We have reached a total of 28 million automobiles, 13 million telephones, and 20 million human beings on relief.

It seems that somewhere a long time ago we heard about a full dinner pail, a chicken in every pot, and two cars in every garage. Well, you haven't got them yet. You have 4,820,000 families on relief. Perhaps you can answer Roosevelt's question: 'How do you fare under the New Deal?' You have only 13 millions more on relief than in October, 1933.

In the past month or so, the State of New York has been conducting publicity campaigns for the increased use of milk. Yet in spite of the campaign, 5,300,000 fewer quarts were consumed since and during the campaign than the previous year in New York State. Why can't we consume it? We have the milk-raising capacity; but in the meantime, the United States Government is purchasing skim milk, whole milk, powdered milk, and condensed milk from the corporations as it has done with other commodities.

While producing economic distribution to corporate enterprise, the government metes out starvation to the individual. The government has spent $7 billion for relief. Five billions have gone to rescue corporations in the United States and but two billions have been claimed as the direct sustenance of the individual -- 5/7 for the rescue of the status quo!

This all presents a pretty picture. The ratio we have stated is known. Congress and corporations are well aware -- from the tons of figures from every governmental department -- that man-hours in almost every industry have been declining, that production has been rising, and that the workers displaced can never be employed again. All this data are available. You can even find Technocracy mentioned in the Department of Labor pamphlets, and yet in the face of that knowledge, Congress and corporate enterprise have the audacity and hypocrisy to lie to 125 million people in this country. They are so dumb that they cannot see what is literally in front of their noses.

There was a time when lying was considered a fine art and it was done gracefully, but now it is done on a wholesale scale in order to kid and pacify the public. The relief program of the United States Government has not had the slightest results in rehabilitating our social economy. It has not rehabilitated one single economic element -- pure nonsense! The relief program is for nothing more than soap for the people, help in blanketing such serious disturbances as revolutions, the preservation of corporate enterprise, and to inform the public that the political louse is capable of doing anything. No matter what possibilities an individual may have in this age, after four years in a political setup he will emerge as a louse, his possibilities destroyed.

The present program has the effect of getting the public worn down by malnutrition, so that no vitality or inclination to think is left. Then they have the nerve to issue a Thanksgiving Proclamation -- a fine Christian country! If Christ were alive today, He would starve to death. They wouldn't have to crucify Him. Try living on the relief sustenance. It is not even good pig food, because pigs are intelligent. That is the kind of stuff they shove out to human beings. They feel themselves that they can juggle the system and that something will 'turn up' just around the corner. This psychology is so ingrained and so well developed that after you turn one alleged corner, you believe that there will be another corner, and then that there will be another and that you will finally reach some corner around which you will discover a chiffon-covered ashcan. Instead, you will find a cast iron cover, and it will hurt you.

The Consolidation of the Rackets

The liberal believes that social action occurs only by means of cogitation or mental effort. If that were so, we would have had social action on this continent long ago. As a collective body, we do not act that way. Human beings are only too willing to pass the buck and 'let George do it.' Technocracy defines social action as occurring at a rate proportional to the approach of the front of the stomach to the spinal column, and apparently that is what is going to bring social change on this continent. There are over 12 million unemployed, and there would be several million more if the national Tammany organization had not pumped billions of dollars into the economic machine to give it a semblance of vitality.

It is not hard to picture exactly what has happened. Speaking in the vernacular, a mob today is a mob, and a gang is composed of those who run the racket. What happens when the mob finds the racket washed up? It seeks new territory. This is what has happened. Local politicians used to dispense from the ward bosses, but they have reached the point where they cannot hold out any longer; so, they have moved to the banks of the Potomac and consolidated the minor rackets into one major racket.

The next congress will have to spend around $15 billion more to hold the structure from falling into the cellar. You can view the situation in many ways. You can still feel that the Republican Party, now smelling pretty badly, has a chance to come back or you can feel that the Democrats will do something.

We can see that the socialists will combine with the communists in the near future. The tendency of rackets to combine is becoming more and more noticeable. Yet any combination will leave the setup in the same position. You shall witness more on relief, larger appropriations, larger injections of federal credit, and then what? The situation has not been altered one iota. The basic proposition has not been faced. No one, from Roosevelt down, has faced the issue. They have sidestepped the issue. They borrow from Technocracy, then blab about economic security under a Price System.

If present trends are maintained, conditions in 1935 and 1936 will be yet more unstable. More than $15 billion will be pumped into the situation, and this will cause a production cycle uprise. The more that is pumped in, the greater will be the fall. You cannot have a planned economy under a Price System. You could not make money if there was a constant in a Price System. There would not be anyone to trim; therefore, it wouldn't be nice.

Technocracy has no illusions that the coming social change is going to be easy. We know that no movement can get anywhere unless it is ridiculed. We are getting it now, and we will get more tomorrow; but we can stand it. We have said before that we are the only organization that can afford to wait. No other organization can afford to do so. The best salesmen for Technocracy are not in Technocracy; they are in Washington, Ottawa, and on Wall Street.

Mr. Harriman of the United States Chamber of Commerce proposes that they no longer issue figures and statistics on industry, and that corporate enterprise issue the figures instead, because the public does not understand them anyway. Mr. Aldrich of the Chase National Bank spoke at the Commonwealth Club, San Francisco, dwelling on how serious the situation was, and the best he had to offer was the same lot of stupidity, the same lot of crooked nonsense that has been said the past four years. Technocracy would like to believe that they are deluding themselves.

Past 'leaders' in our country were unfortunately not leaders but just reflectors of public opinion. Thomas Jefferson made the statement that all the land west of the Mississippi would not be inhabited for 1,000 years. Abraham Lincoln wanted to build the Union Pacific Railroad with a three-foot gauge. He didn't know anything about railroads. Woodrow Wilson, a college president, was elected to the presidency of the United States because he promised to keep us out of war. We went to war.

The United States and Canada require leadership and not the reflection of some minority group. We will not get anywhere by listening to Father Coughlin, the EPIC Program or any other nonsense. It was fortunate for Upton Sinclair that he was not elected. He could not have achieved anything if he had become Governor of California. Huey Long has done a good job on the state racket, and so have other local types which are all similar in that they all propose ways and means of either alleviating or solving the present situation. We have state institutions for the mentally defective, and the originators of these proposals should not be permitted to roam at large.

ADDRESS AT THE ENGINEERING
AUDITORIUM (Untitled)

12/6/35

Toward Dementia

If we should ever have another civil war, let us have it for something and not for nothing. The tendency of the natural liaison of big business today is for a furtherance of fascism. Technocracy defines fascism to be 'a consolidation of all the minor rackets into one major monolopy for the preservation of the values of the Price System.' We are trying fascism in a subtle form, and the general trend is in that direction.

The problem facing America is so serious that it will transcend every other problem in history. If there were 17 million more out of work, we would face it more quickly. Our only regrets are that there are not 17 million going out of work tomorrow morning.

They are going to try sustenance farming. They are going to subsidize corporations so that they can declare a profit. (A few corporations have declared larger dividends during this period because they have succeeded in lowering their operating costs, and if the 1929 production was repeated, they would employ less people than they do now.) In other words, the people are such fools that they permit the corporations to be saved. They permit 800,000 depositors who hold two-thirds of the nation's deposits to be insured to the detriment of 13 million others. Suckers? No, they are simps. If they are not trimmed, they don't appreciate anything.

It was just the same in the gold movement. Technocracy pointed out that on or before September 1, 1933, Roosevelt would declare a partial free market of $30 an ounce. He did, at $29.62, three days before September 1. They send money abroad and then they bring it back at $35 an ounce. Call it a racket? The rest of the racketeers were pikers. They use the funds of the United States Treasury to wash up several millions profits for the gang. You take it and like it. Of course, that wasn't stealing at all! Technocracy defines a criminal to be a human being with predatory instincts and living under a Price System without sufficient capital to start a corporation. When done on a large scale, it is high finance -- not stealing.

Well, what are you going to do about it? Nationalized Tammany will utilize the funds of the treasury to build the machine larger. There are now 682,000 government employees -- the most since the war.

Speaking of war, we now have a war on but don't know it. The only ones who are satisfied under this system today are those who possess large debt claims or hold fat government jobs. There are not enough of these fat jobs today, but the tendency is toward increase. We are always in favor of paying a bonus under the Price System. Technocracy is strongly in favor of bigger and better bonuses, for the sooner they spend into complete insolvency, the better. Now they are trying to cut out work relief and build up home relief. Americans are not entitled to a decent livelihood! Fifty cents a day has been reduced to 26 cents a day. Technocracy would be in favor of abolishing relief entirely, but we are not in favor of reducing the payments one penny. Make them all suffer -- fine!

If they try to save the situation, they will not succeed. They are going to spend billions more to keep the boat from rocking to preserve the status quo. You find a very definite feeling growing on the Pacific coast and other places, and they are afraid that it will become epidemic -- far larger than the epidemic of 'Sixty-nine' -- in the movements for old-age pensions. Everyone has a movement to save everyone else, but everything will remain just as it is as far as these movements are concerned. A few more niceties and a few more laws are all that will result.

Technocracy states that no political movement is competent to operate the technical equipment of today. It might have been possible in Thomas Jefferson's time but not today. The Constitution was written with the spade and a sickle. We are not out to destroy the Constitution. We wish it to be perfectly preserved, wrapped in cellophane and placed in the Smithsonian Institution where it belongs. It was all right when the nation consisted of log cabins and small farms but not today. We must get rid of it.

Our monetary system is just as obsolete. You don't run a power system by senatorial decision. You don't take a vote to determine the load or power factor. You have evolved a method of control in modern powerhouse operation today that is peculiar to the apparatus -- a method that has no precedent in all social history, a method of technological control.

Science versus Chaos

The clash is on. Democracies and all forms of the Price System are antipathetic to modern technology. You can't have both. You must either stop technology or throw the Price System overboard. You will have to close research laboratories and prevent discovery by law or your lousy Price System will fall down around your ears.

Technocracy is not a social theory. It is a social mechanics, a methodology of accounting the rates of growth of all energy-consuming devices, organic or inorganic, applied to an order of human affairs on a definite, quantitative basis for the first time in history. It is a far greater jump to Technocracy than has ever been made by any other social system. Plutocracy, aristocracy, etc. are terms which mean nothing in this modern day and age. There are so many decisions made today -- take the telephone, for instance, in which neither the stockholder nor the subscriber are consulted -- that are made with a high degree of accuracy.

Socially, and where the people are vitally concerned, a method of decision is still used that was highly considered in Plato's day. Do you have to be kicked in the lower end of your spine in order to be rid of this idea? No amount of trial and error will bring social change. Technocracy is proposing an extension of technology on the North American Continent. Ideas must be reconstructed. No philosophical, political social system yet promulgated can provide production and distribution on the balanced-load principle.

You can dump all your social institutions in the garbage can. You cannot design, construct, and operate one piece of equipment with any social theory ever heard of from Karl Marx on down. The physical equipment has gone way beyond the concepts and the institutions. This problem today is a technological one and not a political one. You cannot, by political legislation, alter the standard of livelihood. By juggling, you can only stave off the inevitable and prolong the final disaster.

Maybe it is less painful to die from malnutrition. (In Germany after the war, you saw children that were apparently seven or eight years of age but who were actually thirteen or fourteen. They did not have the proper nutrition and never grew up.) Malnutrition is frightful. It has only started here. A noted increase of cases is now observed, and it will continue to rise as long as this nonsensical Price System is continued.

During the recent election, several millions of morons chucked ballots into the boxes hoping that it would change something; but you don't change a racket by agreeing with it, which is what you do when you vote. You must find another way of doing it. Even a political organization which had all of Technocracy in its preamble -- still organized only to get a vote and having convinced millions of Americans -- would not be capable of operating anything in this country.

The same mistake was made in Germany, and they never changed any of the means whereby they lived. They changed the nameplate on the door -- the facade; then a man with a mustache came along and put the lid down. It will probably blow off someday, and there will be more hell. On this continent, we must build a system organized along the lines of the functional sequences of the North American Continent. We must have an organization to take over the functions. Technocracy is trying to show that in the growth of the organization. Our Sections are developing and increasing without money. We are going to be dealt with as an organization from the Panama to the Pole and from the Atlantic to the Pacific.

Continentally, if the present trends continue, you are going to see a new alignment -- a new alignment that will puzzle a lot of people. You will see republicans, democrats, socialists, fascists, and communists all on one side of the fence. They will all smell the same. They will be totally incompetent of running the continent. They won't like each other much, and, put together, the smells on that side of the fence won't agree with the different varieties of molecular bombardment.

You will see that the Protestants will definitely have to make up their minds whether to defend or attack the Price System. They have shown more tendency toward the attack. This places other religious beliefs in a rather interesting position. Fascism has always developed mainly from a Catholic background. Catholics are a minority in the United States. The policy of the Farley-nationalized Tammany cannot be carried much further, because it will not be possible to identify fascism with a religious belief. If that is so, it will force a division in the religious beliefs in this country. There will be one terrible mixup. It would throw the question of race and religion definitely on various sides in this battle. This alignment will come about partly from these forces I am discussing.

We are just citing the forces at work. There are more components at hand of the nature of nitroglycerin in the United States and Canada than anywhere else. Just carry out this policy of national Tammanization and you will get it -- and how -- the biggest blowout you ever had!

PUBLIC LECTURE
HOWARD SCOTT
EDMONTON, ALBERTA, CANADA
DECEMBER 1935

This lecture was held at the New Empire Theater in Edmonton to a capacity crowd; as a matter of fact, many people were unable to get into the hall and others standing in the wings. The talk lasted for two hours and was followed by a question period of forty-five minutes. This accounting originally appeared in THE TECHNOCRACY DIGEST, Tabloid Edition, Vol. 3, No. 4, in December 1935.

MASS LUXURY

He pictured homes of a new type, air-conditioned and equipped with every modern convenience, of cookery by high-frequency current that will make housekeeping a matter of minutes, of automobiles--one of which is already built--that will make 120 miles an hour, have a life of 350,000 miles and be driven by two-cycle opposed piston Diesel weighing 30 pounds, giving 42 miles to a gallon of crude oil; of a standard of living eighteen times more rich than our present standards when every man and woman will have his and her own money furnished by the state; when all the work of life can be accomplished by each man between the ages of 20 and 45 working four hours a day, four days a week, for eight months of the year, with education until the age of 25, and leisure after 45, and each citizen be assured of a fair division of the goods of the technocratic state in right of his or her citizenship.

POPULAR PICTURE

Applause punctuated the speech of the Technocrat throughout his address and at the close of was given an ovation.

Although the meeting was advertised to start at 8:30, every seat in the theater was filled by 7:30, and the chairman, E. S. Cowper, announced at 7:30 that the meeting would begin.

With crowds standing jammed in the lobby of the theater, waiting in the hope of being able to gain admission or to see the distinguished visitor, Mr. Scott's secretary, Miss Helen Hockett, who was in charge of the literature table, undertook to keep the lobby crowd entertained. For over an hour, she spoke on Technocracy, repeating many of the things her chief had spoken on his 100,000-mile trip. Each time she attempted to stop, the crowd urged her to, "Go on; don't stop." She continued for an hour and a half to an audience of 250, while Scott was speaking inside the auditorium to an audience of nearer 2,000.

PLAIN-SPEAKING

Scott took a delight in hurling thought-provoking facts at his audience. At one time he told them: "We're not politicians. We haven't come here to tell you how clever you are. We're here, frankly, to tell you what dubs you are--to insult you and make you like it--to try and get some barbs under your hides that will make you think." And the audience applauded back. "They liked his frank manner and his interpretation of facts. "People today," he told them, "are divided into two main classes--the chisellers and the suckers. The aim of the ambitious sucker is only to become a small-scale chiseller."

OLD ORDER OBSOLETE

"I'm not blaming the politicians and the bankers," he told them later. "They're the products of a system that had its origin when the only power in the world was manpower. Modern engineering

and technology in this power age has created a new set of conditions and made the old social mechanism obsolete."

"They have got to be put out of work," he told them. "Every new advance in machinery puts men out of work. We're going to put machines into operation that will put more men out of work than ever before. What is there about work that you like? There are 37,000,000 people in United States dependent on the collection of taxes. When we force more armies of men onto relief, we are taking the quickest method of putting this outworn system on the scrap heap and making way for a scientific system that will fit the facts of life in the new age of extraneous power.

RELIEF NO STIGMA

"You've got to rid your minds of the old idea--that had its roots in the old English poor law--that there is something shameful in being on relief and you may just as well get used to it. Being on relief and learning how to use your leisure is good preparation for the time when you'll only have to work 660 hours a year in the years between 25 and 40, and have leisure for education and the enjoyment of life."

The tall Technocrat made it clear that he has no more use for Communism and Fascism than for the other parties whom he criticized as being props for an outworn system. "The operation of a high energy civilization has nothing to learn from the social mechanics of Moscow or Berlin or Rome," he said, amid loud applause.

ANALYSES SCORED

"What about Social Credit?" someone called out. "I regard the Social Credit wave that struck Alberta," said Scott, "as an expression of the people of this province of their impatience with a social system that can no longer function to give you people the necessities of life. Its defect, and the defect of all other social credit plans, like the Townsend plan, is that it doesn't touch the real cause of your social collapse. Apart from that, they have this defect, that they are dependent on collecting funds from your scant purchasing power and must deduct the cost of collection and the cost of distribution before they make distribution. In so doing they reduce purchasing power instead of increasing it.

"I'll say this for your Social Credit premier," he added. "He will have the distinction--if he survives his five-year term--of being the last premier of Alberta. Before five years are over there will be great and far-reaching changes in government all over this northern continent. It will help the processes of collective disillusionment that must take place--and you are going to be disillusioned."

BIRTH OF MOVE

Speaking of the genesis of the Technocratic movement, Scott said that it was started 16 years ago, at the close of the Great War, by a group of engineers, who gave not only their time but three percent of their monthly incomes, to carry out the research. Technocracy jumped into fame because of efforts of the publicity department of Columbia University discovering that it had 260 engineers on research work. They were pleased to write it up as a buildup for academic education--then when the heat was turned on, they ran into the hole and dragged the hole in after them. Since then we have gone forward.

SEEN DECADE AHEAD

"In 1920 we predicted this condition of depression would start in 1930. We predicted it as a growth of kilowatt loads brought about by the increased use of motors, internal combustion engines, electricity.

"We predicted that by 1930 this would bring about a serious change in conditions on the North American continent. It came in 1929, and we are still in it. In July 1932, we predicted that there would be a national frigidity which would result in the closing of all the banks in the United States on or before April 1, 1933. The banks of the U.S.A. obliged us by closing somewhat prior to that date.

HAD NO AID

"We have done quite a bit of work but nowhere near what we would like to or which we would do if we had the money. This organization has done what it has without a subsidy of a single dollar from anyone. The only money we have is obtained from membership fees. We have not had a dollar from any corporation or financial institution. We don't want it, because we refuse to accept money that has any strings attached to it. No officer draws salary or makes any money out of this corporation.

TOO BUSY TO GYP

"In this way it is the most unique on the North American Continent--but we have not had time to gyp our fellowman. This is not because we are more moral than anyone else, but it is because we are too busy doing something else.

"We are trying to picture to the people of this continent something vastly different to anything past or present. It is not a presentation of any political opinion, and is in no way concerned with any political party. No one can belong to any political party and be a member of Technocracy Incorporated.

ALL ARE RACKETS

"The reason for this is that we have no time to recondition human beings or change them from a racket, and all political parties are rackets in one form or another. We have no objection to a good racket as long as it maintains the pay-off, but when it does not maintain its pay-off, it just becomes a washout; and that is the state we are in now.

"We make very little distinction and play no favorites; a Republican or a Democrat, a Liberal or Conservative, or a member of any other political group smells as bad as a Communist. They all belong to an old order of things; they belong to that day of civilization when there was a conflict of opinions.

ALL EXPLOITED

"Each civilization prior to now has been operated upon the proposition that human beings are to be exploited. In 1776, when Adam Smith wrote his 'Wealth of Nations', he said that all wealth was created by human energy. Today it is changed. We are now consuming 153,000 kilogram calories of extraneous energy produced from coal, gas, etc. and only two percent of that is consumed by human beings. That is the basis of the new thought in physics. We have arrived at the point where extraneous energy is supplanting human effort.

"Today a coal mine in Illinois that with 600 men produces 3,000 tons of coal a shift is regarded as achieving a record in production. But we have a long face machine that in 24 hours with only 12 men to operate it can produce 3,000 tons of coal. That means that many miners will be forced onto relief. But what virtue or beauty is there in mining coal that men should wish to do it?

VIEWING HISTORY

"If you think back and view history six or seven thousand years ago, the most ancient monument we have is the great pyramid at Gizeh composed of two or three million blocks of stone. It required 100,000 men working 20 years to build it. Without the use of machines used in building the Panama Canal in 1904 we would still be digging the big ditch in 2007, and the original diggers would not see the finish of it.

SUCKERS-CHISELLERS

"The social system is divided into two classes--chisellers and suckers. It is the desire of every sucker to graduate and become a chiseller. When you have been trimmed, you immediately drag your friends in and watch them get trimmed also, so you can have the fun of watching them. One of the axioms of the great showman Barnum was 'Never give a sucker an even break' and business never has. That is no reason why you should blame the banker or the businessman. It is your own fault. If you are sucker enough to be trimmed, it is your own fault, not theirs. Do not blame any individual for the present condition. It is the fault of the system, and it was inevitable from the beginning. It is the mechanics of corporate enterprise.

MAXIMUMS GONE

"In the year 1920, we had maximum employment and never again will human employment go back to that figure. It will decrease continually from now on; however, there is one rather consoling thought, 'No one but a sucker ever tried to get rich by working.' The only way you can get rich is to get a bunch of suckers working for you; but the chisellers and suckers are now in the same boat, because the racket is all washed up. We will now see how it came to be all washed up.

"A century ago, in President Jackson's day, in the United States there were 12 million citizens; 96 percent of the citizens of the U.S.A. were living on the land and derived their livelihood from it; 95 percent of the total wealth was in hard cash or commodities; and 5 percent was in debt claims, such as mortgates, bank loans, or other amortizable securities. Now 95 percent of the total wealth is in debt claims, and only 5 percent in cash money or commodities. There is an entirely reverse situation existing now to that existing a century ago.

"The output rate of human energy is low--it is equal to about what a 1/10 h.p. motor could do in 8 hours. Anybody can purchase for a few cents a 1/10 h.p. motor that can do all you can do and won't alk back. The introduction of power machines has forced millions on relief, and tomorrow there will be more. We are now converting 153,000 kilogram calories of energy per person, and the rate of growth of energy consumption shows a possible increase of 30 percent or more from now until 1940 and 1942. If 153,000 are ruinous to your social structure, now consider what 200,000 per person will do. Not a single social institution will be out of the dump heap. All labor will be in the ash can. A modern Diesel tractor will cultivate soil in 1/1000 of the time taken to do it with a spade. The new equipment will do the work in 1/3600 of the time it takes to do it with a spade.

GLASS BLOWER GONE

"Anyone over 45 can remember in the history of this continent when the Glass Blowers' Union was one of the strongest unions we had. Where is the glass blower today? He has entirely disappeared.

"You can remember how difficult it was to get into the Glass Blowers' Union; in fact, a man had to be born into it. But your engineer came along and out went the Glass Blowers' Union. In 1923 came Colborne of the Toledo Glass with a machine requiring a couple of people on the switchboard to operate it. It rolls the glass out in a continuous sheet; cuts it, boxes it; puts the cover on the box; labels and addresses and plants the boxes in files. Machinery now blows lamp bulbs at a rate of 52 per minute. There are new plants being built that will blow 1,100 per minute. There will be only a couple of those machines needed to blow all the lamp bulbs we can use.

MACHINE DEVELOPMENT

"We technologists say, 'Why not?' There is quite a bit of humor in it no matter what field you are in. Take, for example, the cigarmaker. We can remember when the cigarmakers used to roll out the cigars. Where are they today? The cigars are made by the Washington machine at the rate of one million cigars per year with four girls operating the machine. We will have a machine in the next year and a half that will turn out 10 million cigars, with no girls.

THOSE BAKESHOPS

"Many of you have seen the modern bakery, the bread oven many times wider than this stage, fired by gas or oil, slowly moving and turning around -- that is just a bunch of junk now. The new oven is much smaller and the loaves come with the speed of newspapers coming off the press. The bread is not cooked from the outside in as we have it now but from the inside out. A lot of stoves are due for the junk pile. We can go on and on giving examples to show how extraneous energy is being substituted for human energy.

"It used to take 36 hours to do a 3-color photoengraving. Today there is a machine that can do the work in 30 minutes flat without the engraver. It can do engraving 3,000 miles away; it is transmitted by wire or by wireless across the continent. As for the linotype operator, we don't need him anymore. You slip a paper into the transmitting machine, it sets the type anyplace on the continent on either one machine or ten or twenty. You can have the whole makeup of one paper or a hundred all made up and sent over the wire and all the type set automatically. Well, why not?

NEW MINING PLANS

"In Illinois, a coal mine produces ten thousand tons of bituminous coal in eight hours with 800 men. This is considered high speed. We propose a new type of process that will go into your mine and produce thirty thousand tons in 24 hours with 12 men. Well, why not? Where is the particular virtue in mining coal; why should a man mine coal if it can be done by machinery? So we propose to do away with the job. Most coal miners are so dumb that they won't quit, so we shove them out of their job and shove them onto relief; and we would like to install a machine right here in Alberta. We just want to help put more people on relief.

INSURANCE GROWTH

"If you have a mortgage or life insurance policy, you have that holier-than-thou feeling in regard to your fellowman. Over 30 years ago, in 1900, there were only two billion dollars worth of life insurance premiums. They continued to grow until they reached a peak of 108 billions a couple of years ago. Then they started to decline and today we have 68 million life insurance policyholders with invested assets of 21 billion. If the life insurance companies were to continue in their growth (of approximately 7.78 percent per annum), the life insurance companies would own 85 percent of everything on the North American continent; so that if the life insurance companies don't get you, the Technocrats will.

MERE DEBT CLAIM

"Most of you still have that strange idea that when you go down town and deposit money in the bank that the money is yours; well, that just proves how dumb you are, because it is not yours at all. You sell a debt claim to the banker for a time demand. You do not own a dollar in any bank on this continent or any other. They are not your deposits. They belong to the bank, not to you. In normal times, all the bank requires is cash for eight to ten percent of the deposits. They loan the other 92 percent. It is a process of creating debt. Since the war and up to 1929, we were creating annually between twelve and fifteen billion dollars of new debt claims.

BANKING FORECASTS

"In 1933 Technocracy predicted the closing of the banks in the U.S.A. and pointed out that the banks would be only opened by accepting federal funds. We said it would result in a new condition where the federal government would have to take over the prerogative of debt creation from private enterprise, and every businessman in the United States owes Roosevelt a debt of gratitude for keeping them from going down entirely in the last few years. Today private corporate enterprise is only creating 2% to 3% of annual debt creation instead of 5% and 6% as is required. Governments are taking over to where they are practically the sole creators of debt today, which means that 76% of all large incomes are reinvested in the new debt claims of economic expansion. Therefore, if there are no new debt claims, funds become frozen; as this approaches 100%, the interest rate tends to decline towards zero.

HAVE THEIR LIMITS

"Now, to go on a step. As there are no new debt claims, your financial institutions will be compelled to invest more in government debt claims. Then we go on. When more than 60 percent of the financial institutions have more than 60 percent of collateral invested in government debt claims, they will not be merchandisers of debt; they will have to return the deposits to the depositors or be nationalized by the government.

"We are sorry for the banker. He has done a good job of debt creating up to now, but his day is almost done. It will be like the case of the organ: 'It was a good organ while it lasted, but it's done played its last tune.' We are faced with that in the near future. In the United States, at the next Congress, they will vote the soldiers' bonus, and they will not increase taxes before the elections but will do so immediately after. We may expect larger and larger appropriations for taxes.

BIG INCOME TAX

"In the next couple of years, the federal income tax will be $738 per year on a $5,000-per-year income in the United States, and you will have the same thing here. It is the same sort of institution. It is a sweet proposition to consider, but it is one that must be faced.

"Now where is it all leading to? In 1932, thirty-five million morons in the United States were interested enough in politics to vote. They thought they were going to get a new deal. Well, they got it, but what does it amount to? They just helped someone get what they wanted, and still they are dumb enough to help someone else get something and get nothing for themselves. If you vote at all, you are supporting the existing status quo; and by voting, you are allowing the same status quo to continue.

"A man who votes has no integrity. No man who wears a necktie has any integrity; no law compels man to wear a necktie--he wears it because of fear.

WEALTH VS INTEREST

"When the majority of the men wear neckties, the individual hasn't the courage to go without one. A man who has a million dollars has an integrity about as thick as a piece of tissue paper; and a man who has a billion dollars has an integrity such that he can donate dimes to little girls without impunity."

"For thousands of years you could count noses and arrive at the only social divisions, but when you count noses today you are just wasting time and merely adding noses. Democrat, Republican, Socialist or Communist makes no difference. What powers of decision have you?

"Do you decide the design of your radio, your car, lighting equipment, or anything like that? There are only two decisions you ever make for yourself. One is, you decide to purchase, provided you have the wherewithal--and so few have the wherewithal these days. The other is the decision to die, and there are damn few around who decide this. You just allow inertia to creep up behind you and catch you.

VOTING SUCKER

"When you go down and mark X on your ballot, what do you think you are doing? Participating in the government of the country? Like hell you are. You are being made a sucker, that is all. Because counting noses does not decide the problems facing this country at this time.

"The problems of this country are technical problems of providing money and purchasing power. You are not going to do that by voting in any political party on this continent. If that is your racket, that is all right. We Technocrats have no ruling against voting, except that if you are intelligent enough to be a Technocrat, you will have to be intelligent enough to get a cash reward for your vote; because that is all you will ever get for it. Wonderful, isn't it?

"Of course, 30 years ago or 100 years ago, you could not have changed things even if you wanted to. You could not have altered the standard of livelihood one percent. They talk about bringing China up to our standard of living. How wonderful! Well, to do that you would have to multiply 470 million by 153 thousand by 365 to get the number of energy calories required. Quit kidding yourselves about these ideas. The fact we are faced with is that of running this civilization today."

PRODUCTION-POPULATION

(Mr. Scott used the blackboard to show that the rate of production is increasing faster than the rate of population; the rate of debt increase is greater than either; and the rate of energy production is growing faster than all three.)

Continuing, he said, "The man hours per unit produced are declining, and there is no solution. It is quite a mathematical problem. You reach the period where political machinery and valuation of currency are no longer capable of running the social system. For the first time, technology is rendering the Price System totally obsolete, and there must be a distribution of income and purchasing power on a new basis. The individual citizen will contribute less than he does now and we must find a way to distribute purchasing power. This is not the Townsend Plan or Communism or Socialism. It is Technocracy. There will be no debt plan. We do not propose to divide up anything."

EXASPERATION VOTE

"What about Social Credit, Mr. Scott?"

"Well, you asked for it and we might as well hand it to you," replied Mr. Scott. "In California and several other states, and in Alberta, people vote for many things because of exasperation; they vote to get rid of the other fellow. We are not in any way deprecating the sincerity of anyone. You want guaranteed economic security. Well, you cannot get it with the Townsend Plan or any other social political eczema on this continent. You people of Alberta have one satisfaction: you have elected a premier who undoubtedly will be the last premier of the province--if he lasts for his five-year term--because the next five years you will witness a lot of changes. You cannot in any state or province introduce an innovation that will enable the citizens to furnish sufficient economic security out of wages or salary under this present system. We would like to believe it, but we have no belief when it comes to physical equipment.

You can have a transaction tax collected from each transaction, but the cost of collection and the cost of distribution must be deducted before distribution, and that would make the total net purchasing power ess instead of more than when we began.

"Any movement that promises the people any solution under this Price System we consider a good thing, because it is an educational disillusionment. Ninety-nine and 99/100 percent of you are are still suffering from posterioritis. You want to sit down and let George do it. You want the parcel post to bring it to you. Well, it is not going to be done that way.

"We Technocrats are different from any political party. We do not come out and tell you how wonderful you are so we can make suckers out of you. We frankly insult you in the open so we can drive something under your skin to wake you up. We are trying to find out those who think and those who have the guts of our pioneer forefathers. In a few years the people of this continent will have to make up their minds.

"We do not care if you agree with us or not. We are not trying to sell you anything. A new kind of social mechanism is yours for the asking, but if you voted 100 percent to put Technocracy in tomorrow, you couldn't do it, because you are not capable of running peanut stands on wheels as an organized body. You think putting X on a ballot is all that is necessary. Wish fulfillment or psychology do not run factory or powerhouses. We can devise plans and struggle along without money, but if you are going to build an organization on this continent to prevent chaos, you had better get going. Unless human beings of ability on this continent realize that they must build an organization to supervise the functional operations on this continent, you will see something that will make the Russian Revolution look like a splash in a mud puddle.

WORTHLESS VOTE

"It is not a question of voting one bunch in and the other bunch out, because that will maintain the status quo. You might use your vote to abolish this Price System and bring a system of Technocratic order about, but if you cannot organize a disciplined party, your votes are not worth a damn.

"How would it strike you to know that wheat can be grown from the seed to the finished head in ten days? There are two machines in Jersey producing wheat and oats for chicken farms experimentally. Operating 365 days a year, with less than 12 men, they would replace 35,000 acres of the finest wheat-producing land on this continent. These things are on the move. We are trying to get you to prepare for it. Physical Science has invaded the Social field. For the first time you will have a currency of distribution and not a medium of exchange."

CURRENCY PROBLEM

Mr. Scott then went on to explain currency under the Technate: "Currency would be a medium of distribution, not transferable; you cannot loan, borrow or give it away. Male and female both receive the same income. Every woman will be economically independent of each and every male. The female will be denied the pleasure of going down into the male pants pocket on Saturday night, because under the Technate the male currency will not purchase female requirements, such as silk stockings or mink coats. She will purchase her own stockings and coats--but the male will no longer be able to purchase the silk stockings and mink coats for her, because the male does not use such things, and with the male currency he cannot purchase female requirements. The currency will be watermarked for a balance load period of approximately 15 months or two years, at first. The balance load period will be brought down to a year and then your currency will be watermarked for a year only.

"Everyone would have the same income; requirements of citizenship under a Technate are 660 hours of service, 165 days of four hours each, every year for 20 years from 25 to 45 years. After 45 years, the color of your currency changes, and you are free to spend your income playing tiddlywinks in the Bahamas or making mudpies with the Eskimos. Your currency will bear a designating numeral of the

occupation of the recipient. We are not taking these numbers out of our head. If we had the organization tonight, we could print the entire proposition tomorrow morning at seven o'clock.

PLENTY SCARES AHEAD

"It scares you, doesn't it? Well, you will be scared a lot more in the next five years. Under the Technate, there are no insurance policies and no taxes, no litigation. Ninety-six percent of the legal fraternity will be given the same income as anyone else at some other endeavor. You will not be able to sue for breach of promise, alimony, breach of contract or probate of will. If you do not wear a necktie, your economic security is in no way threatened."

Mr. Scott went on to show on the board how the numbers on the bills designated the man's occupation, experience, address, male or female, time, etc.

"Color of currency changes at 45 showing you have completed the requirements of citizenship; footprints and handprints of every infant would be on record; there would be no lost children; people would be medically examined every six months from birth until death; we would have a maximum of health. You would not be able to tip the waiter. No person will be penalized for commission of a statutory offense. The income of any individual cannot be taken away from him unless he leaves this continent or dies. We propose to run the equipment at the highest load and maximum conservation and minimum of human effort. Any who would refuse to work the 660 hours--if physically able--will starve quicker than at any time in history under any other system.

NEW TYPE HOMES

"Many of you think you have homes. How would you like this kind of a home? Where a square yard of wall, floor or ceiling would stand a temperature of 750 degrees C. for 24 hours and not show more than 5 degrees temperature rise on the other side. A home with doors which have no hinges or knobs, which would open when you speak to them. Homes that would be fireproof, waterproof, and soundproof, and would last 1,000 years. They would be air-conditioned; you would heat them or unheat them just as easily. Quite a different kind of thing to what we have now. For the first time, we would have real privacy--you could beat hell out of your wife and the guests would never know.

"With the new type of cooking equipment, a soft-boiled egg could be done in 2-1/4 seconds with high frequency; a five-course dinner cooked while you drink your cocktail--and I hope when I come next time I will be able to show you that right here on the stage. You cannot have this under the Price System though.

"You will have cars that will run 42 miles or better on a quart of crude oil, with a life of 350,000 miles. Do you think any automobile company would make that kind of a car now? Socially it would be cheaper to produce this kind of a car than some of the cheaper models you get now. Those are just a few of the things. You have to face the facts--man-hour and human employment is a declining proposition from now on.

"This new age will be brought about by the impact of technology against the Price System, and technology is bound to win," he continued.

"The Price System cannot run on for very much longer. Technocracy is proposing a new kind of social order. Hard-boiled technological facts are what the engineer and scientist have on their counter.

"We are dealing in the fact of what we have and what can be produced technologically so as to give the greatest purchasing power and the maximum security for all."

LEAVES FOR CALGARY

Mr. Scott proved himself an adroit and witty answerer of the questions that poured on him from all parts of the theater. At the close, a large number of the audience joined the local Technocracy group under Capt. George Koe, the supply of literature on the subject being sold out completely.

Following the meeting, Mr. Scott left on the midnight train for Calgary where he is to deliver two addresses and continue on his way eastward through Canada on his way to New York. He expressed a hope to return to Edmonton in June, when he may have with him the high frequency cookery appliance and the new Technocratic automobile to which he referred in his lecture on Saturday night.

TECHNOCRACY AND THE 1936 NATIONAL PICTURE

A Radio Address
by
Howard Scott
STATION WEVD, NEW YORK, NEW YORK

January 23, 1936

Technocracy Inc. speaking from Continental Division 7340 to the radio audience of Station WEVD, New York.

In 1936, the citizens of the United States will again be asked to decide by the ballot their preference in political parties and candidates for the political administration of our Price System for the next four years. The press, the pulpit, the radio, and the screen will resound with ardent appeals and denunciations from conservatives and radicals, liberals and Bourbons. Big business and little business will extol the virtues of a business administration. There will be ardent appeals made for a return to the "good old days of 1929". Simultaneously, there will be brought forth the demand that a mythical proletariat would be the best managers of this Price System. Amid the claimants of these two extremes will appear the intellectual liberals, ready to endorse all parties in their progressivism and to console each in its difficulties. The conservatives, reactionaries, and Bourbons will hold forth for the Constitution and the creation of debt as guaranteed by the Constitution, vintage pre-1929. The liberals, progressives, and radicals will be clamoring for a modification and amendment of the Constitution so as to permit their particular brand of incompetency to be perpetrated by public opinion. Outside of the participants in the race for political power, propaganda coercion will be brought to bear by those organizations, which, while not political parties, are in actuality national lobbies -- such as the United States Chamber of Commerce, the National Manufacturers Association, the Liberty League, the Townsend Pension Plan, and Father Coughlin's Fascistic Union for Social Justice.

Technocracy Inc., as an organization with a social objective, stands alone. Its position is unique. It is not a political party. It neither runs candidates for political office nor does it endorse and support any political program or party. Technocracy Inc. furthermore does not attempt to coerce the probable candidates for political election in any municipal, county, state, or congressional electoral district.

What do the people of the United States want? Stated simply, they want a material abundance to be produced, with sufficient purchasing power placed in the hands of all citizens to insure the distribution of that material abundance. The people of these United States want this economic certainty to be guaranteed from birth to death with a minimum expenditure of human effort and a maximum of leisure. The people of these United States want a maximum of good health obtainable by all as a basic requirement of national citizenship, and no longer subject to the hazard of insufficient individual purchasing power. The people of these United States want an educational system capable of providing efficient education for the entire youth of the country, subject not to the economic limitations of individual income but only to the inherent capacity of the individual to learn.

The citizens of the United States are convinced that an abundance for everyone can be produced, and that this continent can produce it here and now. They are convinced that this country and this continent can produce more physical wealth than any other like surface of the globe, and that a scientific means has been found for the distribution of any material abundance that may be produced.

A RADIO ADDRESS OVER
N. Y. STATION WEVD 1/23/36

The majority of the citizens of the United States is not interested in dividing up the monetary wealth of this Price System. We Americans have never been dividers; we've always been multipliers. They are not interested in sharing the scarcity of this status quo, because they unconsciously know that it is not enough. What the people of these United States are interested in is a rearrangement of our social and economic order so that plenty for all can be provided for the nation.

This country and this continent have had no time in the last 400 years of rapid expansion to acquire the traditions of philosophic speculation or to indulge in political preambles. We've been too busy going places and doing things; making big ones out of little ones. We have been so busy that we have never had time to acquire the traditions of social classes. There is really only one class in the United States today -- those who consume -- and this one class is divided into two major divisions, chiselers and suckers. It is the secret ambition of every sucker that he will someday graduate into being a chiseler. What is a chiseler? Well, briefly, a chiseler is he who acquires the most with the expenditure of the least effort. Strangely enough, the only way that we as a nation can obtain more is when our individual citizens contribute less human effort. It is only through the progressive elimination of human toil by the further introduction of electric power and automatic machinery that an abundance of physical wealth may be produced for everyone.

A mature Price System -- such as we have in the United States in 1936 -- has only one criterion of social success; namely, the acquisition of monetary wealth. All tokens of monetary wealth in this Price System -- whether they be mortgages, bonds, bank loans, or currency -- are debt claims against the total operation of the system; therefore, monetary wealth in our American Price System can only be created through the creation of debt, and to get rich in terms of this Price System, one must create debt claims against others faster than they are created against him. The creation of debt is only possible in an economy of scarcity; an economy of abundance is only possible after the process of creating debt is abolished.

National business in the United States today is running on the priming power of $17 billion of newly-created government debt, brought about by the legislative enactments of the Roosevelt-Farley administration. Private corporate enterprise can no longer create sufficient new debt every year with which to validate the outstanding debt -- public and private -- of the country; therefore, the federal government must assume the prerogative of creating debt from private corporate enterprise and create it itself. The federal government in this administration has loaned over $6 billion through the Reconstruction Finance Corporation to corporate business in these United States. It has paid out slightly over $5 billion for all relief expenses. Technocracy Inc. asks, "What is business kicking about?" It got the largest share of the financial gravy from the federal treasury, and the millions on relief got the miserly dole. The beautiful part about it all is that the people of the United States will be taxed to pay both the government bonds for relief and the huge government loans to corporate business enterprise. Corporate business should be overjoyed that the people of these United States don't know when they have been taken for a ride. The best business in the world is that business which can borrow from a lender and then compel the lender to pay back his own loan,

On November 3rd, a national election will be held, and millions will cast their votes with the hope that if their candidate is elected, conditions will improve. This national election is simply to decide which political party administers this Price System for the next four years. Regardless of whether the party is republican, democratic, socialists, or communist, they will all be seeking to elect their party members into some political position in the administration of this Price System scarcity. The fundamental problems facing our country and this continent will neither be met nor enunciated. They will very carefully be avoided.

A RADIO ADDRESS OVER
N. Y. STATION WEVD 1/23/36

There is only one issue facing this country and this continent, and that is whether we, the citizens of the United States, shall maintain this Price System with its attendant 12 million unemployed and 20 million relief dependents, with all of the economic insecurity, insufficient purchasing power, ill health, and general malnutrition of this age of scarcity, or whether we shall vote for the abolition of this Price System and the institution of a technological era of abundance, with guaranteed security to all, with equitable and adequate purchasing power sufficient to consume the mass output of mass production, with a technological administration of this social order that will render these things to all citizens an economic certainty. It is here that Technocracy Inc. says to every voter in the United States that, when you vote in 1936 in the national election, you are casting your vote in favor of the political administration of this age of scarcity of this Price System, regardless of what party is elected.

Remember that when you vote to elect a candidate into political office in this Price System, your vote is an endorsement and a support of the system in its entirety. You are helping the debt merchants and the politicians maintain the status quo. In other words, your vote, collectively speaking, is a permit to allow the chiselers four more years of action; so, frankly, all you'll get for your vote is the satisfaction that you haven't changed anything. Sometime in the next decade, you will be able to use your vote to decide the fundamental issue. You can only have scarcity under this Price System; you can only obtain economic security and abundance when you abolish it. Technocracy Inc. will never ask for your votes to elect candidates into the political administration of this Price System. It will ask for your vote for the elimination of this Price System. The technological march of events will make this fundamental issue more apparent in the next few years, and, as electrical power and automatic machinery displace human effort on one hand -- while taxes and government debt and insecurity rise on the other -- it will finally compel you, the voters of these United States, to decide the greatest issue of the age -- scarcity or abundance. Regardless of your present condition of economic servitude, Technocracy Inc. wishes you a happy landing in the New America.

TECHNOLOGY AND LABOR

A Lecture by Howard Scott
To the Chicago Painters Local Union No. 637
May 20, 1936
Published in FEDERATION NEWS, JULY 4, 1936

All of you here are members of labor organizations. You are accustomed to paying dues and carrying a union card. You are educated in the theory that in union there is strength, and you are familiar with the battles that organizations of labor, in this country, have been in and are fighting.

The point here is that a labor union is also a business institution, sometimes even incorporated in some states, and subject to the same laws, the same advantages and disadvantages, that any corporate enterprise under this price system is subject to. The product which your organization has to sell is man-hours. This product you have to sell, these man-hours, are in ever-diminishing demand as the market for your labor grows smaller and smaller. That is only characteristic of all business enterprises under a price system.

The significant thing about a price system is that, once it arrives at maturity, as is the case in the United States, then the man-hours required in production of goods and services decline, so that the price for those man-hours tends to fall. Thus, you are up against the same proposition that corporate business enterprise is up against: high production, falling prices, vanishing profits. The greater efficiency of productive processes reduces the number of man-hours required for all operation, making both you and your unions less and less important as time goes on.

The maximum employment in this country was in 1920. I need not tell you what it is today. It will never go back. It will not even remain what it is today but will rapidly diminish from year to year. Of course, you can blame the technician for devising more efficient machinery, but that will not stop the introduction of further labor-saving processes, for many of these processes already invented in recent years are being held in reserve by big industrial concerns. We already have much more efficient equipment than that which is in use today. The consuming public would have had the benefits of it long ago except for the interference control -- the price system -- which cannot yet see its way clear to install it.

But why blame the technician anyhow? Why not go ahead and eliminate labor in every possible way? We engineers never did have any use for hard work. It always hurts us when we see anybody working. We are always pained when we witness human toil. Not that we are indolent -- we will work long hours and days without number to devise a piece of machinery or a process that will go right on with any kind of monotonous job, while the worker is released to do something less exacting -- or even to go his way doing nothing at all. It is only the demented person who keeps right on doing the same thing over and over again. The man who fights for the chance to do work that a machine can do better only demonstrates what a damned fool he is. More of you will have this demonstration in the next four or five years.

The experiences of labor organizations in this country have been interesting when viewed in historical perspective. They have been fighting a losing battle all along, and their chief adversary has not been the employer. It has been technological progress. From the use of the simple handtools of a century ago to the machinery we have now, there has been a series of clashes between those who work and those who operate labor-saving equipment. The principal threat to the continued existence of trade unions has not been employers but technological unemployment.

Take one outstanding example. Many of you may remember the Glass Blowers Union. The glass blowers were the ones who brought out that crack about the working class wearing silk shirts. They had a union that any of you might be proud of. They had an organization so tight that the only way a man could get into it was to be born into it. Where are the glass blowers today? Did their union fail them, and were they put out of their jobs by the hostility of employers in the industry? No, they were not. They went out of existence because of the development of machinery. Along came the engineer and out went the Glass Blowers Union.

In 1923 came an inventor named Colburn of the Toledo Glass, with a machine requiring a couple of people at the switchboard to operate it. Now you have a piece of equipment 1,300 feet long which rolls glass out in a continuous sheet, cuts and boxes it, puts a cover on the box, labels and addresses it by putting a stencil on the box. An operator sits in a chair watching it when he is not reading a detective story, while thousands of would-be glass blowers are walking the streets. Well, why not? Five plants, operated to capacity, will supply the whole window glass industry. The capacity is 20,000,000 boxes per annum.

Machinery now blows lamp bulbs at the rate of 552 a minute. New plants are now being built that will blow 1,100 per minute. Only a couple of these machines will be needed to blow all the lamp bulbs we can use.

Take the wrought iron puddlers -- there is another instance. Ever since iron has been made it has been made by the old puddling process. Up to 1926 we were making it by the same laborious process employed centuries ago. A man could only puddle about 200 pounds -- his own weight -- each day or a little more, but the Aston process today will make wrought iron at the rate of 500 to 1,000 tons per day and make it better than it could be made by hand. The wrought iron worker and his union are out. And why not?

You will appreciate the joke after a while -- we haven't got to the painters yet. No matter in what field of labor you are serving, you and your protective organization will have to face the same trend of events. Many workers, squeezed out of employment in the industrial centers, have turned to the farm as a last refuge. They found that even the farmer is faced with dilemma.

In Andrew Jackson's time, they used to till land with a spade. It was a day of hand axes, sickles, and oxcarts. We were a pioneer nation at that time. It took 96 hours for a good man to spade an acre of ground. Any man who tries to spade it today will find that it would still take that long. The muscle power of a man is no greater now than it was then. It shows you what kind of an animal man is. You can't beat certain standards of production doing things in the same old ways. New ways reveal new possibilities. Today a man with one helper, using a tractor, can work 22 acres a day. They can plow an acre in one seven-hundredth of the time it takes to do it with a spade.

The combine is an improvement of about thirteen-hundred to one over the method of reaping grain with the old cradle. That is better but not much. Still better methods of grain farming are in prospect. We are concerned about more leisure for the farmers of the country. There are about 26 million people on the farms. They still have the idea that they want to earn their bread by the sweat of their brow, and it is pretty hard to get into their heads that they can only produce more by working less. If it were still possible for them to get a good price for their produce, those morons would still go on farming in the old way. Modern technology is making the first invasion into agriculture in the history of mankind.

Out in Arizona, there is being used a new process of growing food for man and beast without the use of soil. They only use the soil as a vehicle for supplying the water. You dig a trench four feet deep and fill it with water, which is warmed by electricity. You dissolve the necessary eight or ten ingredients of plant food into a barrel. Stretch a chicken wire over the trench, about two inches above the water. Cover it with straw or excelsior. Plant your seeds in that, followed by another layer of excelsior, and you are off. The roots of the plants thrust themselves down into the liquid and from it draw their nourishment. You don't have to cultivate or bother about bugs. By such a method, we can raise 2,500 bushels of potatoes to the acre. The growing process goes on 24 hours of the day, every day. The average for the whole United States today is only 116 bushels, grown by the old haphazard field method, which only operates on days when the sun shines, the temperature is favorable, and the rain supplies enough moisture.

How would it strike you to know that wheat can be grown from the seed to head in ten days flat? There are two machines in New Jersey producing wheat and oats for chicken farms experimentally. Operating 365 days a year, with less than 12 men, they would replace 35,000 acres of the finest wheat-producing land on this continent. These things are on the move. We are trying to get you to prepare for them. We can grow over 200 tons of tomatoes to the acre. Tomato plants

will grow 15 feet high. These things can be done. Your farmer wouldn't do anything about it, so we had to.

You can't educate the human being easily. The conditioned reflexes have to be reckoned with. Most individuals have that proverbial "hamburger sandwich psychology." The moment they get enough to eat for the day, they are satisfied. Why, if the average fellow should happen to get a $15.00 a week job tending a gasoline station, the poor fool would go out and get married. He has gotten his hamburger sandwich.

The peonage of hand-picked cotton is doomed. Several million of white and colored share-croppers will be eliminated from employment and means of a livelihood, poor though that may be, by the use of the new mechanical cotton picker invented by the Rust Brothers. The southern farmer is the lowest paid worker on this continent. It was Technocracy that three years ago first introduced that to the world. After that, it was front-page news. The machine picks two rows at a time at a cost of 98 cents per acre -- compared with ten to twenty dollars per acre by hand methods. It picks 8,200 pounds of cotton in 7-1/2 hours. We are looking forward to the production of 12 bales of cotton to the acre and having it picked by the Rust Brothers' cotton picker. There are 2,000,000 cotton pickers headed for the relief rolls.

Of these 26,000,000 farmers in the United States, 35 percent have an income for themselves of around $2,200 per year. They produce more than 65 percent of the agricultural produce of the country. Sixty-four percent of them receive an income of less than $360 per year. They produce scarcely more than their own subsistence, so their labor is not needed to help sustain the country. There is no reason why we should not eliminate the farmers. It would be just as well if they were subjected to enforced leisure, but you couldn't teach them that. The advance of technology alone will teach them -- put them under a process of producing without long-suffering toil.

We just love to put people on the relief rolls. We are only sorry we cannot put 15,000,000 more on relief. When you get that, you are going to have social readjustment quickly. Social action has never come about through cogitation -- the spontaneous working of the human thought process. It always comes about at the rate of approach of the stomach to the backbone. When you have that, you will get social action, not before. So we Technocrats are trying to help you out.

We are not getting anything out of this work. No officer of Technocracy is getting any salary. We are getting along all right. You can live fairly good in some places on $10.00 a week. So we haven't anything to sell you. What we are trying to do is the reverse of that of the politician. He comes along and tells you how intelligent you are. Because you are a citizen, you are supposed to be capable of running the affairs of this country. We tell you that is a lot of "cockeyed nonsense." We don't try to soft-soap you. We are not trying to be nice to anybody. Your opinion doesn't matter. You can have your beliefs, your superstitions, and your fears; but that is not what it takes to operate the technological processes upon which the future livelihood of the people of this area depend. What you do about it remains to be seen. So, in our approach, we do not flatter you -- we insult you, and leave you with a lot of questions in your minds. If we can't do that, we are a failure.

We are on our way to a new social order on this continent, but the form it will take will not resemble anything in history. The new order that will come about in America will make Communism look bourgeois. What we are trying to point out is the inevitability of the trend. It doesn't make any difference whether any particular group of people are for it or against it. The trend is on, and any form of political interference control only makes matters worse. Every time you develop more efficient equipment, every time you consume more extraneous energy, you are helping to displace more of the men who have been educated to think that the only way to produce more is to work more. We try to teach you that the way to produce more is to work less.

The price system cannot run on much longer. We must realize that the growth of population has been steadily upward for over a century, practically under full employment, so that could always buy back with its wages what the country produced. You could draw a chart and plot the growth of population in the form of a curve. The curve would rise gradually over the past 100 years; but today it is leveling off. By 1940, the population of this continent will have reached its biological equilibrium, after which it will remain stationary. The meaning of this is that

there is not going to be any increase of customers each year. That is not good for business because, at the same time that the population growth is leveling off, the productive capacity of the country will continue to grow. Productive capacity, even in the past five years, has been increasing by leaps and bounds; but the rate of debt creation has been increasing faster than either population or production.

In Andrew Jackson's time, there were 12 million citizens, and 98 percent of the population derived its livelihood from the soil. Today there are less than 26 percent of our population dependent upon the soil for their livelihood. It is the only example of its kind in all history; and 2/3 of those still on the soil are practically useless except for their own subsistence. Today, 74 percent of the population is dependent upon other than agricultural pursuits for their purchasing power.

Again in Jackson's time, 95 percent of the tokens of monetary wealth were in the form of hard cash or commodities, and only 5 percent was in the form of debt claims, such as mortgages, bank loans, and other amortizable securities. Now, 95 percent of the tokens of wealth are in debt claims and only 5 percent in cash money or commodities. The situation existing now is exactly the reverse of that existing then, only a century ago.

The increase in debt came to a point in 1929 where even the rank-and-file of the people had their wages and salaries mortgaged 2-1/3 years ahead. Business ran to full inventories. We started calling in our loans and shutting down our plants. Yet today, our machinery is two to five times as fast as it was then. We have had more acceleration of speed since 1929 than in any previous period in history.

Today, national business is running on the priming power of 17 billions of newly-created government debt, brought about by the legislative enactments of the Roosevelt-Farley Administration. Private corporate enterprise can no longer create sufficient debt each year to validate the outstanding debt, public and private, of the country. The government, under this administration, has loaned $8 billion to corporate business in these United States through the Reconstruction Finance Corporation. It has paid out slightly over $5 billion for all relief purposes. Technocracy asks: "What is business kicking about? It got the largest share of the financial gravy from the federal treasury, and the millions of relief got the miserly dole." The beautiful part of it all is that the people will be taxed to pay both the government bonds for relief and the huge government loans to corporate business enterprise. Corporate business should be glad that the people of the United States do not know when they have been taken for a ride.

But we Technocrats are not interested in fostering class antagonisms. The problem will not be solved by calling Rockefeller, Morgan, and others names. If you or I played poker, we would have to play under the rules of the game. If you are going to play dice, the rules are different, but there are rules there, too, and you would have to play under the rules of that game. There is no sense in calling names. If you had to operate under the same system, you'd operate it worse. There is really only one class in the United States today -- those who consume. This one class is divided into two major divisions: chiselers and suckers. It is the ambition of every sucker to become a chiseler. What is a chiseler? Well, a chiseler is he who acquires the most with the least expenditure of effort. It is the ambition of Technocracy to graduate all of you suckers into chiselers. It can be done.

Nor are we interested in trying to solve these problems by the vote. Here we are in a technological age still trying to kid ourselves into believing that we can somehow solve these technical problems by counting noses. On November 3rd, the national election will be held and millions will cast their votes in the hope that if their candidate is elected, somehow conditions will improve. Yet the national election will merely decide which political party will administer this economy of scarcity, under the price system, for the next four years. Regardless of whether the winner is the Republican, Democratic, Socialist or Communist, it will merely win the right to install its members into the respective positions in the administration of this price system scarcity. After the election, then, the fundamental problems facing this country and this continent will still be facing this country and this continent. They will not have been met nor

even enunciated, They will have been carefully avoided. What will have been done, then, is merely counted noses. Oh, it is fine to feel, when you have voted, that you have done your part to run your country. It is magnificent, as it was in 1916 when you elected Wilson the second time. You elected him as you will remember, on his promise to keep you out of war. He kept you out long enough to permit the fiscal agents of the Allies to pile up several billions of loans from our people through the big bankers that cost our government 24 billion dollars to collect And that isn't all it cost. For every spot of French soil occupied by our equipment or materials, we paid rent. We paid rent for them right up to the end of the war, and we pay rent now for every American grave on French soil Talk about suckers! We are a pretty sad lot.

So, vote for what? When they voted Wilson in, they voted because they were against something -- not for something. We have always voted because we were against something. Now, of course, we have the New Deal; and some of us are developing an idea that we should vote against that, too. If we voted that out, we would be just as stupid as when we voted it in. If you are intelligent enough to be a Technocrat, you are intelligent enough to get paid for any voting you do, because you will know in advance that you are not going to get social change by voting for a political party. If you are married and your wife votes, get five dollars for the two of you. The promises the politicians make cannot be fulfilled. Nothing that they can do will increase the production of goods and services except at a prohibitive cost.

Even when politicians run on a platform made of planks borrowed from Technocracy, they cannot possibly make good, because Technocracy and politics will not mix. Something is going to happen up in Alberta pretty soon. They can't pay the $25.00 per month they promised to every citizen. They can't even pay the salaries of the employees of the Province; so, they are going to be faced with a proposition of resigning. Politicians undertake such programs for what they can get out of them for themselves. They would not be interested if their own pay depended upon their making good on their promises. They do not want to take the rap for failure when they are getting nothing for it.

We, in the United States, are up against the necessity of devising a technological control to replace an outworn social order, the price system. Political palliatives cannot be effective. You have seen what has happened in the past three years. Even the asinine legislation of the present administration has been outlawed by the Supreme Court -- and we deserved what we got.

Anybody who works for a living belongs to the class of undeserving people. You really do not deserve anything. You really don't. Nobody but a sucker ever tried to get rich working. The only way to get rich is to get a bunch of suckers working for you. You know it. I am not trying to kid you. When man-hours decline more and more each year as more modern equipment comes in, the proper attitude for you to take toward work is clearly indicated. You cannot continue to work, even if you want to. There are no new frontiers, no new spaces to open up. The economy of this country is no longer expanding at 5 percent per annum.

In the steel industry, for instance, you have 14 continuous strip mills going in this year, and I believe they have a union. By 1937, the Amalgamated Sheet Steel and Tin Workers will not amount to very much, in spite of all that the Committee for Industrial Organization can do for them. Now you should not condemn the employer for putting in these technological improvements. The employers can't help it. It is in the line of progress, even when it confers enforced leisure upon great numbers of workers. As I said before, Technocracy only hopes it can throw another 15 million out of work, because we do not like work. We are trying to throw people out of work fast enough so they will get a chance to appreciate the joys of living -- and the prospects are very good for doing that by 1940 or 1942.

You people who still have savings accounts, if you have that "holier than thou" feeling, I would advise you to get rid of that. Maybe you think this is pessimistic. The optimist is he who thinks this is the best of all possible worlds. The pessimist is he who agrees with him. We Technocrats are not one or the other. We are just trying to point certain things out. The next administration will have to pump more billions during the next three years than during the last three, because we can't run our industrial equipment without that. This means that government debt and taxes will continue to go up. Wait until they get going. With three or four more years -- by 1939, assuming they are going to use more billions -- you are going to have all of it in taxes, plus some of that pumped during the past three years. Small businessmen and some

others are going to be paying $736 in tax on an income of $5,000. That means it is going to be nicer and cheaper to quit business and go on relief. You really will.

Now the banker is in a very funny position. I know a lot of people entertain a sort of resentment against him, having read a certain type of emotional articles calling him a plunderer and a robber. He is only exercising the rules of the game. The banker was saved in 1933 by federal funds. The financial institutions were unfrozen with federal money. It was so successful that now the banker is in danger of being frozen in his own liquidity, with noplace to invest his funds except in government bonds. Technocracy predicted, of course, that the banks would close on or before the first of April, 1933. Well, they did. We also pointed out that they would be saved by federal funds, and they were. We also predicted that the interest rate would tend to decline toward zero, and it is well on the way toward that point now. There is a new Canadian loan at .878 of one percent. You are going to have a lot of fun; but be sorry for the banker, not angry, because he isn't going to be a banker much longer, not because you do not want him to be a banker, but he is going out of business. He can no longer merchandise debt, and his business is to buy and sell debt claims.

A lot of you are under the fallacious assumption that you own deposits in a bank. There is no depositor that owns any deposit in a bank. You sold the funds to the bank when you deposited them. You don't own a nickel in any bank -- don't kid yourself. The banker is a merchant, and the only reason he stays in business is because he hopes to buy and sell debt and make profit on it. Now the banker's investments are running heavily to government bonds. When this reaches a point where 65 percent of the collateral investments of the banks are in government securities, there will be only two alternatives: they must be taken over by the government or return their deposits to their customers and go out of business. So, just be sorry and tell the banker not to worry -- it won't be long now. His troubles will soon be over. No longer can he create sufficient debt each year to validate the outstanding debt; and when we can no longer provide investment opportunities for the creation of new debt, then we cannot validate the outstanding debt. The price system rests upon that foundation. The only way we can save it for a little while longer is by government-created debt. Even that will not save it long.

Most of you still have that cockeyed idea that there is some moral virtue in laboring for everything you get. You have a suspicion that it is not quite respectable to get a living without perspiring -- that living on cash relief, for instance, is not nearly so noble as chasing leaves for the W.P.A. Well, maybe some of you painters will choose to work up a sweat painting cupies on the walls of a kindergarten for the W.P.A. when you can no longer get legitimate employment.

All labor organizations are formed to fight for the right of their members to wear overalls. You have to come together and fight to protect what you do; yet, in the long run, the trend is totally wrong. You should never try to wear the overalls yourself; rather, you should organize to put the overalls on the machine where they belong. Each year in the future there is going to be more machinery and less human work; but the machines must be kept busy. Their output in goods and services must be made available to the whole consuming public. There must be a system of social administration of the output of our technological equipment. We cannot distribute sufficient purchasing power in the form of wages to provide adequate consumption to keep our equipment going at mass production.

A price system is any system that uses any commodity as a medium of exchange with which to distribute goods and services; and any system using such a medium of exchange, regardless of whether it is collectively owned or privately owned, is a price system. Russia still has a commodity valuation system under a corporate scheme of financing by means of external bonds which bear interest. This is debt creation. The buyer of the bond invests his capital, draws interest on it, and someday he will get back his dough. That is the same old system used in other countries and they have not changed it one iota. A different set of people are running it, that's all. A 1936 Ford would not be any different no matter who runs it.

Technocracy is proposing a functional administration -- one administration of balanced production and distribution, from Hawaii to Bermuda and from Panama to the North Pole. We will donate the Philippines to anybody.

The possible income per individual to be expected under such an administration of the productive resources of this country would be from 15 to 18 times the 1929 rate. That means that the income that would be available to each adult citizen would be equivalent to a $20,000 income. Of course, such an income would not be instantly available. It would take from 10 to 15 years to build up to a full balanced load, but you would achieve most of it in six years. The distribution of the social income would not be a game of exchange -- not a matter of negotiation between human beings; and when you get it, you cannot hoard it, mortgage it, assign it or give it away. There is only one thing you can do with it, and that is spend it. Each and every one of you would get the same amount. Citizens will not be awarded different incomes according to what they are worth. We couldn't afford to discriminate between persons -- not because of any theory of equality but because it would make too much work to administer a graduated income system. And why should we? When you have enough for everybody on a high income basis, why hang onto a scarcity philosophy for the sake of keeping some on a lower income? So, you will have to dump a lot of your old ideas about nobody getting any more than he is worth.

Under an accurately balanced system of technically administered production and distribution, each and every citizen will be assured of real and substantial economic security from birth to the grave, and the end of life will be somewhat deferred under such a system. But when you do go, you will not have anything to leave to your children except your name.

Housing under such a system would rapidly do away with the rat-traps we have today, and in their place erect the finest homes on earth. Anything less would cost too much to maintain and operate. From this viewpoint, the present $20,000 home is just as lousy as the "rat traps." These houses will be designed with a view to minimum labor, maximum comfort, conservation of non-replaceable resources and minimum cost of maintenance. There are only two homes in the United States of this kind today, and we have the good fortune to own both of them. The type of house I am speaking of can be built in quantities of 56 million, and with that number, everybody can be adequately housed. These homes will be soundproof and heatproof. Being thoroughly insulated against sound, you might beat hell out of your wife and nobody would ever know. They would be heated and lighted and air-conditioned from a central plant and automatically controlled. The walls might be subjected to a heat of 750 degrees Centigrade for 24 hours without damage or even noticeable change of temperature on the other side. That kind of a home when built in big quantities, on a continuous straight-line plan, could be erected with no other tools than a screwdriver and a socket wrench, and once up they would last 1,000 years. There would be no carpenters, no painters, no plumbers, no brick masons or any other tradesmen. They all will be out of a job; and why not? A lot of you are out of work now, and we want to put the rest of you out of work.

Now in this house we have projected another development which will be of interest to the women. Instead of using the same old process of cooking, they will follow an entirely different process. It will inaugurate the first real improvement in the method of cooking in the history of man. Instead of using ordinary fire heat applied from the outside in, we will use electrical heat applied from the inside out. By this method we do not use any water to boil an egg, and we cook it in 2-1/2 seconds by the process called diathermy. A giant Idaho potato is cooked in less than a minute -- in the time it takes you to drink your tomato juice, or a martini if you are lucky. And the women will have to find some other way to occupy their time than in cooking. It grieves us to see either a woman or a man slaving over a cookstove. Can't you see where all these things are leading? There will not be enough labor left, in a few years, to justify the organization of a union. Under the price system, you wouldn't have enough income to eat, much less pay dues to a union. And what are you going to do about it? Organize a farmer-labor party and vote for a new list of candidates? In other words, demonstrate your moronity? If you do go out and vote and do not get $5.00 for it, you are a sucker. No voting you could possibly do would be of the least benefit under the circumstances, unless you could use your vote toward the authorization of a technological army to take over and run the economic resources of the country to the end of instituting a better social order.

You know, we don't have to have Technocracy. We can have chaos, and without preparations for an orderly change, that is what we will have. We can have civil war in this country -- get

that through your head. But a change of regime through revolution in the European sense, we could not have. The country is too highly industrialized; it could not hang together under stress. The big cities like Chicago would be imperiled first by interference with the public services. Why, if your water service here were tampered with, it is 5-1/2 hours to the deadline. If the forces of order were interfered with, it would only be a matter of hours until the lights would go out, gas supply would stop, and transportation of foodstuffs would be at a standstill. And God help the fat man, for he will go first. You are up against a proposition of continuation of technological services during an orderly transition -- either that or chaos. If there is any unintelligent interference in the operation of your equipment, you will not have a chance.

The other day when the power went off in New York, officialdom nearly threw a hemorrhage. You could see panic in people's faces. Thousands were trapped in basements five stories underground, as well as forty stories up. Nothing worked.

The greatest hindrance to decisive action we have in the United States today is liberalism. The intellectual liberal is the man who has acquired so much erudition that he is only capable of deliberating endlessly. In a time when decision and bold action are necessary, the most he can do is to "decide to decide not to decide." The effect of his attitude is not greatly different from that of the uneducated man cursed with the hamburger psychology. He persistenly refuses to let us face the actual physical facts that are in front of us on this continent.

We Technocrats do not run candidates. We believe in organizing the intelligent people along functional lines. We have organized Sections all the way across this continent, from New York to Mexico and from Miami, Florida, to Vancouver, B. C. We are not democratic in our methods. We do not believe in counting noses. We do not believe there is any sense in it. We are looking for those who can take orders or give orders, or both. We are looking for functional people who can contribute effectively toward a continuation of the orderly operation of our equipment when the present price system, interference control, comes to the end of the road. This is our country, isn't it? Well, let's organize it.

There are only 37,000 families in the United States now whose children are worth kidnapping. These families received $10 billion a year, while it required 12 million other families to equal another $10 billion. Is America the richest country in the world? It depends upon whose America you are talking about. If you want an America of scarcity, go right on like you are doing, voting for this political party or that, and you will have it.

If you are not certain -- if you can't make up your minds -- wait a little while longer and your minds will be made up for you under a fascist regime. You know it and everybody else knows it. If you don't want that, then get out and organize your functional capacity. But you can't do it except by vertical alignment. With anything less than that, you will not "go to town." You will only land down in the sewer.

RADIO ADDRESS OVER STATION WCFL, CHICAGO, ILLINOIS

By Howard Scott

1937

Technocracy wishes to present to the radio audience of this station some of the salient features in this critical stage of the Price System.

The Lincoln administration, in making the Fourteenth Amendment to the Constitution, paved the way for American corporate enterprise. A century ago, with ninety-odd percent of Americans deriving their livelihood directly from the soil under the dominance of man-driven tools, 95 percent of the tokens of monetary wealth were in hard money and commodities. The debt claims of modern enterprise were practically unknown, and the overwhelming majority of things produced was consumed in direct subsistence -- only a small portion of the total volume of goods produced going into the exchange markets of that time in exchange for the tokens of hard money.

A century ago, the oxcart was the chief freight transport vehicle, and the spade, the hoe, the crude drag and the plow, along with the sickle and the scythe, were the chief agricultural implements of that day. Man, with the crude implements of that time, took 96 man-hours to spade an acre, a year to produce 800 tons of iron ore, and a year to produce 25 tons of pig iron. The application of technological procedures to the means whereby we live has finally solved for man the age-long problem of producing sufficient for his needs and more than enough for his wants. Today, 95 percent of the tokens of monetary wealth are represented by the debt claims against the future and only 5 percent are in currency. The transition from the primitive hard money stage to the advance maturity of a debt-claim Price System was rendered possible by the increasing technological development of modern physical science. The steady growth of the physical equipment of this country since the Civil War, and more especially the rapid acceleration since 1890, has altered the order of magnitude of our social problems from want in the midst of need to want in the midst of plenty.

The growth of physical equipment and the increasing use of more efficient technological procedures made it possible for the entrepreneur to increase the tokens of monetary wealth in ever-increasing amounts. As long as there was a continuum of growth of the physical equipment, the entrepreneur could mortgage the future deeper and deeper. The continuum of physical growth over the last fifty years has enabled the debt merchant to cover the mistakes of the current year with the yearly increment of the next. This progression of mortgaging the future of America proceeded in spite of temporary depressions to ever-greater amounts of debt claims until today it is estimated that there is outstanding against the physical equipment of this country and its future operation $238 billion of long- and short-term public and private debt claims.

At the same time that the entrepreneur was creating this Himalaya of debt, the technologist was continuously improving the technological procedures of operation. Each succeeding decade witnessed a further decline in the man-hours per unit produced, technologically lowered the physical cost of operation by more efficient machinery and processes at higher speeds, substituted extraneous energy for man-hours and increased the total energy consumed by the industrial system. The increasing consumption of extraneous energy and the increasing declination of man-hours per unit produced was not obvious or apparent in the American industrial picture as long as there was an annual increment of growth in the physical equipment. When the growth curve of the physical equipment of this area began leveling off in the last eight years, the energy curves and total man-hours were even more accelerated in their drop than hitherto.

Total purchasing power in a Price System is directly dependent on the total man-hours involved in the operation of the physical equipment. Wages and salaries are paid on the basis of man-hour participation of the individual. It therefore follows that, as the rate of production and rate of man-hours per unit produced increases, apparent purchasing power can only be maintained by an ever-expanding growth of the physical equipment. When this ceases, purchasing power falls, inventories pile up, plants close down, unemployment becomes general, and breadlines are a common spectacle.

It must be borne firmly in mind that the prosperity of a Price System such as ours can only be maintained as long as it can create debt claims in huge volumes each year. American corporate enterprise has arrived at that position where it can no longer create debt claims in a sufficiently large volume per annum to validate the outstanding debt claims in existence. It therefore willingly surrenders its prerogative of debt creation to the federal government of these United States in order that the government, through the power of the federal state, can for a short time create debt claims fast enough to save American corporate enterprise for the benefit of those few Americans, the majority holders of our debt certificates. It is a policy of spending our way out of the so-called depression back to the halcyon days of prosperity -- a last desperate expedient of the Price System to prolong the agony of its passing.

In President Jackson's day, the commodity valuation currency had some relationship to the rate of production. Today, with the human effort supplying only 2 percent of the total energy consumed in our industrial system, any and all commodity currencies are unrelated to our rate of operation. No modification of this Price System methodology of debt creation will have more than a passing temporary effect. No revaluation of our dollar on a gold, silver, or any other base; no revamping of our fiscal credit system; no rearrangement of our banking system will do more than act as a temporary soporific. No juggling whatsoever of these instruments of the interference control of the Price System is capable of providing a solution to the problem of providing mass purchasing power sufficient to buy the output of American mass production.

The old line political organizations have induced the American public to support them in the past through their propaganda slogans and their party machine organizations. Every political party is a great racket just so long as it can muscle in sufficiently on the general operations of the area to maintain the payoff for its machine henchmen. In a social crisis, all political parties realize that the old time racket is washed up and therefore seek a new bandwagon more attractive than the former for the sole purpose of inducing the voter to come aboard. Racketeering, political or otherwise, is a component part of a Price System of production. Technocracy is under no illusions that any political racket can abolish the Price System, and that until a technological control is substituted on this continent, all political maneuvers, whether made by republicans, democrats, communists, or fascists are but racketeering four-flushing in the face of the progression of American technology.

The social problem of administration of production and distribution on this continental area is a technological one. Just as technology has solved the problem of production, so, too, will the problem of distribution and operation be found in the technological field. A Price System, whether privately owned or collectively owned, is still a Price System irrespective of whether it is in the United States or the Soviet Union. A Price System, with its pricing of goods and services for the creation of exchange value debt claims, no longer possesses sufficient accuracy of control to arrive at the physical costs necessary to be known in the technological operation of America's physical equipment.

Technology has written "Mene, Mene, Tekel Upharsin" across the face of the Price System, and all the political subterfuges and financial legerdemain evolved in the ages of scarcity can only momentarily delay its going. America is at the crossroads, and no foreign importation of any social theory or philosophy such as communism, socialism or fascism will avail her in

the slightest. Here in the soil, in the equipment and structures of this continent are to be found the technology of the new social order -- a social technique for the operation of the era of plenty wherein for the first time a purposeful design can be projected of the complete functional administration of an American Technate, a technological administration of this continent wherein economic security and equality of income is guaranteed to all with a maximum of leisure.

American labor has formed unions, societies, and associations for the right to wear overalls. Technocracy points out that the time has arrived when the people of this continent must organize to put overalls on the machine.

The following letter was written by Howard Scott to correct gross errors in an article published in THE NEW YORKER of October 31, 1936:

The New Yorker
25 West 43rd Street
New York City

Attention: Harold Ross, Editor-in-Chief

Gentlemen:

May I extend my compliments for the altogether amusing resume of Technocracy and myself that you presented on pages 20 and 21 of your issue dated October 31, 1936, under the ubiquitous title, "The Erg Man."

The New Yorker's description characterizes me so delightfully mysterious and at the same time some kind of a near "bogeyman" and big bad wolf of the econommic technological world that it appears as if you were attempting to do an Allen Raymond a la Herald Tribune.

May I be permitted to suggest that if your publication and others of the press persist in endeavoring to present me in this intriguing manner to your public, you will succeed in creating a Howard Scott legend that will place me on a par with Franklin Delano Roosevelt of being all things to all people. In view of this possibility, while I do not object to what you infer or imply, or how you qualify my reputation, may I correct as follows certain statements made in the issue of your magazine mentioned above.

1. My automobile license carries my height at six feet five and not at six feet two, a mere matter of three inches you'll say. Of course, even in a pinch we could let that pass, but, after all, this is a correction to the record and no doubt you would like to have your record straight.

2. Further to keeping your record straight -- you state that I was not an engineer in charge of Muscle Shoals No. 2 plant during the war but "merely a worker in a concrete gang." May I state that I was employed as equipment engineer by the Air Nitrates Corporation, a semi-government corporation, at U. S. Nitrate Plant No. 2 at Muscle Shoals, Alabama, in charge of installing the equipment of the cyanamid, calcium-carbide, and liquid-air divisions of that plant. Furthermore, I was promoted to designing technologist of the Air Nitrates Corporation in their offices in the Postal Life Building, 511 Fifth Avenue, New York City, and resigned in order to go into private engineering practice.

3. Apropos your statement of my being suspected of being a spy -- that is also a funny one for the book, since spies are never six feet five, and I have never been guilty of the great honor you confer, having never been employed in the intelligence service of any government or any organization.

4. Have never been a member of the I. W. W., the Communist party, the Republican, the Democratic, or the Socialist parties -- in fact, to put it mildly, have never been a member of any political party, or labor union, or liberal, or reform organization of any kind, not even a college fraternity. Nor have I at any time been in sympathy with any of these organizations.

5. Neither have I at any time organized or been a member of any association or "bureau to teach workers to run industry after they took it over."

The New Yorker
25 West 43rd Street
New York City

6. If you can produce a copy of the Congressional Record that bears any inquiry of my activity at Muscle Shoals such as has been brought out in your magazine, I assure you that the Division of Publications of Technocracy Inc. will gladly make you a present of an annual subscription to each of ten different magazines now published by our organization. In the files of Technocracy Inc., there is a record of the senate investigation of Muscle Shoals by Senator Graham's committees which no doubt is the inquiry to which you erroneously refer. While I am mentioned in that investigation, you will find that it is only because I had several secretaries and a car, and seemingly possessed the power to issue oil and gas books on the Standard Oil, which I will admit is just a little too much swank for a concrete mixer.

7. You state that a banquet for 500 technologists at the Hotel Morrison in Chicago, June, 1933, was called off upon my announcement "that Technocracy would use bayonets if necessary." You no doubt refer to the convention held under the joint sponsorship of Technocracy Inc., the All American Technological Society, the National Technological Congress, and the Continental Committee on Technocracy, in the Hotel Morrison of Chicago, on June 27, 28, 29, and 30, 1933. The entire proceedings of this convention were stenographically reported, and you are entirely incorrect in your quoted statement in that no such statement was made at that meeting or at any other time by Technocracy Inc. or myself. The convention was called off because of the heat after four days of convention fighting, in which Technocracy Inc. absorbed all of the other attending Technocratic organizations except the Continental Committee of Technocracy, which has since passed into the great beyond.

8. You state that the Duron Chemical Products Company was established by me three or four years ago in Pompton Lakes, New Jersey. The Duron Chemical Products Company was incorporated in Delaware in the early part of 1923 and operated as a going concern until 1933, when it was liquidated. Its products were used over that time by the Medical Center, the Gresham Realties, Neurological Institute, New York Floor finishing Co., Brooklyn Edison, et cetera.

I have gone to this trouble in making these corrections for your record because I am certain that you do not care to be in the hazardous position of making libelous statements. As one publisher to another, I know that you will accept this communication in your own humorous spirit. More power to you, and a happy landing!

Howard Scott
Director-in-Chief
TECHNOCRACY INC.

EXCERPTS FROM A HOWARD SCOTT ADDRESS IN CLEVELAND, OHIO

on March 8, 1937

ORIGINALLY PUBLISHED IN 8141 MAGAZINE IN MAY, 1937

§ Four years ago the New Deal was brought in with the promise of something to relieve our plight. Last fall the New deal was renewed on the promise of more gains. It wasn't the Democrats who elected this new administration. It was a majority of the people of the United States. That fact in itself was quite an innovation. Last fall they buried the Elephant; soon they will have to move him over to make room for the Jackass.

§ We Americans have more wealth, more goods, and more technical ability than anyone else. Yet when it comes to social institutions, we are economic illiterates. We have never had time to bother with social problems up to now. We were too busy getting money. The need to consider social trends was not pressing.

§ We are still a funny combination here in America. We enjoy the best food and the best equipment and want both. We have everything possible that human beings want -- but with millions of our fellow Americans on Relief. Technocracy takes the stand that anyone who administers relief as it is now being administered should live the same way. If you want to know how that is, go to our relief flophouses. Would you Christians treat Christ that way? Remember you throw your bread upon the waters. It will come back.

§ In 1919, there were 10,800,000 people in the manufacturing industries of the United States working an average of 54 hours per week. In that year, the total number of man-hours was 29 billion. In 1929, there were 8,800,000 people working an average work week of 48 hours. The total man-hours were 20 billion. In 1939, there were 7,600,000 people in these same industries and the total man-hours were 11 billion. If you would observe this on a chart, it would look like that old sign -- "Going, going, gone." In 1936, we had a work week of 38 hours. In 1939, with the same relative employment in the manufacturing industries, you will have to reduce the work week to 22 hours. But to keep up the purchasing power, you will have to pay three times as much for one-half the man-hours of 1929. Do you think this will be so? Dumb as you are, you are not that dumb!

§ We are not worried here with any class warfare. We haven't a permanent peasant class or working caste in America. There is really only one class of people: consumers. And those are divided into two groups -- chiselers and suckers, with the suckers all trying to be chiselers. That is why you went to school. There was a time when parents and grandparents learned about the "honor of industrious labor." They were brought up with the idea that to be a reputable citizen, you must work hard to achieve success. Now the graduates will look at you and say, "So what?" They know it is a lot of hooey. Nobody ever got rich by work.

§ Right now, 400,000 miners are fighting for a 200-day year and a $6.-a-day minimum. Fighting for a living of $1,200 a year! Mr. Lewis is putting up a pretty fair battle, but there will be 120,000 less coal miners on the date of the next contract than today. We are mining coal today not with pick and shovel; we are using coal cutters, power loaders, etc. A mine in Illinois is averaging 10,000 tons in 8 hours with 600 men. We are fast on the way to eliminating the coal miner. Why not? There never was any sense in mining coal by hand. No one ever acquired social prestige in a coal mine. The miners know this. The era of the coal miner goes by and he appears on relief.

EXCERPTS FROM A HOWARD SCOTT
ADDRESS IN CLEVELAND, OH 3/8/37

§ Two years ago, Technocracy Inc. publicized these new deveopments in mining, along with the strip mill, the cotton picker, etc. FORTUNE MAGAZINE said Technocrats were using the cotton picker to frighten people with. Five years ago, Technocracy talked about sodium lamps. I remember when General Electric questioned us about it. They said it was still in the laboratory; but Holland at that time had a lighting system of one and one-half kilometers of sodium lamps.

§ The steel industry is also "bowing to progress." Giving a 40-hour week to common labor appears as a great victory. What does it mean? Of the 500,000 or 600,000 workers, how many are common laborers? Seven percent or 35,000. With a 40-hour week, they will have to stagger crews in the mills. Now there will have to be two divisions, neither working more than 20 days per month, for $862.50 per year. Life on this continent does not begin until after $50 a week; and on $75 per month, you can't even live in sin in this country!

§ Many of you don't want labor eliminated. Some people still want to work. Lord knows why. Probably it's a hangover. Back in 1842, the first bathtub was made for $1,200. Five states passed laws that they were unsanitary and ungodly. Three states still have these laws. So you may readily understand why it takes so long to get over this idea of work. Each of you wants a good job. Here's an idea: If everybody in Cleveland took a bath every day and washed their faces and hands three times a day, the amount of domestic water used would be 2-1/2 times the amount that is now used. Somebody is not coming clean.

§ The small farmer may as well go, also. There is no social prestige to be gained by following a plow. Just the scrubs stayed on the farm in the 1920s. The smart boys went to California; but the crash came and they lost everything. California is the home of the "Escrow Indians." If the boom had kept up in 1929, they would have Los Angeles sold out to Denver. They may or may not start up again. Now, due to the Faraday Fluid Feeding Process of raising food, the commercial farmer is running his product to market in competition with the regular farmer. Even the thrifty Jap farmer cannot compete and is being run out of business. Of course, this is one way to make America safe for Americans.

§ There is much propaganda today against auto accidents. We have great safety campaigns, yet accidents increase. Why? Not because drivers do not know how to drive. With split highways, one-way traffic, raised or sunk crossings, poles and trees moved back 15 feet from the road, with 4 degrees horizontal and 4 degrees vertical curves only, and with the highways lighted by sodium lamps, accidents would be reduced by more than 90 percent.

§ Look in the public libraries. Libraries carry books on new social trends and Technocracy on the same shelf. The Cleveland Library now has an outside panel window display at one end on "How to Maintain Democracy" and one at the other end on "Social Engineering and Technocracy." Even your library admits that our imported democracy cannot be maintained.

§ Technocracy never tries to convince you against your will. Technocracy Inc. is looking for those who <u>must</u> and are compelled to do something. There is plenty of room for all, provided you are an American citizen. Technocracy was originated on and is limited to this continent. Its objective is a New America far ahead of anything we have ever known. Functional operation of all equipment and facilities would result in a balanced load economy, where there would be an abundance for all. You could not create debt and could not chisel fellow Americans. Remember, we Technocrats are not intending to do all this. The people are going to do it and because they will be forced to do it -- not from any will of ours, but because conditions will compel them to do so. We will tell you what to do, how to do it, and when. If you want an orderly transition, get going and find out what it is all about.

§ There won't be any revolution in the United States. It will either be an orderly change or chaos. Make up your mind. No barricades as in Russia, Italy, and Spain. Our larger cities are too technical to permit a revolution. In New York, if power and water were cut off, it would be 5 hours and 18 minutes to the deadline; therefore, there can be no revolution under these conditions. Either orderly transition or chaos. Merely voting gives no hope. Sometime within this next decade, this country must make a major decision. We did not do so in 1776 nor in the Civil War.

§ This organization will be three years old next month. It started out without any literature, never has been endowed with money, and the officers receive no salary. Most of the officers would feel they were in luxury if on relief. It is a curious organization. It receives no help from any other group. It did not borrow its writers or speakers; it developed its own. It publishes eleven monthly publications, three in Canada and eight in the united States. We are strongest where the percentage of illiteracy is the lowest. This is true in both the United States and Canada.

§ Technocracy Inc. has offices in every city in Canada from Victoria to Winnipeg. In another year, at the present rate of growth, the Technocrats in Canada will be the dominant group. We are now down south, on the Pacific Coast, in Arizona, Utah, Montana, Kansas, Ohio, and many other parts, including Massachusetts for the first time. We have a lot of allies among those that fight against us as they tell what a wonderful America this is via the billboards; and these same billboards stand next to the relief lines, telling what the machine is doing. Technocracy is very grateful for the help of those fighting against it. If this keeps up for a few years, we will be bigger than any organization ever seen.

§ Technocracy Inc. is not a political party, nor are we a labor union. Our approach is quite different. We must have a social engineering blueprint. It is rather difficult to realize this. Every other approach has been on the basis of conversion; that is, if you could convert quantities of human beings, it was right. Politics is the natural approach of morons to something they do not understand. Our problems of today cannot be solved that way. The mass of human beings are important as consumers, but not as deciding factors on how to operate our high energy technology.

§ Conditions cannot be tolerated much longer. This continent will have to make the next gift to the civilization of man. It will be the civilization of tomorrow; and it is in your hands. Whether you like it or not, you have to have it. You will have to make the New America, where there is no toil, poverty, disease or mental defectives; but we cannot change a system without your help. Nobody can do it for you. It is up to you to find out where you stand.

EXCERPTS FROM A PUBLIC LECTURE GIVEN BY
HOWARD SCOTT. DIRECTOR-IN-CHIEF. TECHNOCRACY INC.
CONWAY HOTEL. APPLETON. WISCONSIN
AUGUST 27. 1937

I am glad to be here and see all the faces of people promoting the growth of Technocracy. Permit me to say that there are similar organizations of Technocracy gathering in many places from the Panama Canal to the very far north in Canada. We have members in all of these places. It is an American organization, and it is composed of 99.9% of what is called the American type.

We have gone a long way from where we were five years ago or even three years ago -- a very long way! Today, on this tour, we are using the largest seating capacity building in every city from the Great Lakes to the Coast. We have the trolley car advertising sewed up in every city for days in advance. We have the wireless working and thousands of posters placarded on poles all over the country.

We want this continent to know that an organization is on the move. We are not a political organization. We do not permit any political party to gain membership in Technocracy. In other words, to be a member of Technocracy, you must resign from any political party. You must be a citizen, and that is all we ask. This is a new kind of nationalism, because it is nationalism on a continental scale.

When I first entered Canada three years ago, it was 20 below zero, the snow was falling, and there was one man -- just one Technocrat -- standing in the falling snow. Today in the same city, there are thousands. There are Technocracy Sections in every city in Alberta, Canada. This organization has moved up to its present position without political backing. We owe nothing to anyone except to our own members. We have no funds, except the membership dues of members and contributions from those who join. It is the only organization that makes you pay for the privilege of working as a Technocrat. There are no immediate benefits for the simple reason that any organization on this continent that attempts to do this is bound to go down.

The labor unions are all playing up to the immediate demand. They are all trying to satisfy something now, and the moment that you design an organization, or build a structure of an organization, for such a purpose, it is bound to go down, as it will not be able to satisfy all its members. We have not made this mistake.

The first organization that sprung up in 1932 was followed by several hundred Technocracy groups in this country and Canada. We had to go through the groups and eliminate some of them. You had the racketeers in Green Bay attempting to run on a Technocracy ticket. We had to rub out Technocracy in Green Bay because it got off to a bad start. This was repeated in a few places in this country, but today there are no organizations trying to horn in on the game.

Today Technocracy is stronger and growing larger. It did not skyrocket as others have but has continued a steady growth because we did not fool ourselves that we were going to get anything through a political racket. A new organization was needed, one different in design, different in structure, and different from anything that happened before, and Technocracy has achieved this as an organization. While we are on this subject, I would like to point out that our growth in Canada is an example and also our growth on the Pacific Coast. We will continue in Canada and will be the dominant organization there. We will have more than any political organization in the Western Provinces.

In the last election a few months ago in the Provinces of British Columbia and Vancouver, the vote was reduced 50%. We do not have to reduce the vote another 50%. No political power on

earth would dare hold power with 30% of the electoral votes for it. Remember, a racketeer is smart because he never likes to stay where the heat is turned on and is wise enough to get out.

The Province of Alberta cannot pay salaries anymore. Thousands in Saskatchewan are on emergency relief. The drought wiped out these people. The wheat crop in Saskatchewan used to be 321 million bushels; now it is 140 million bushels. There are only 1-1/4 bushels per acre in the planted area. There are 800,000 people in Canada liquidated by the drought. With a continued relief load, the situation in Canada is going to be sweet. It is so sweet that Technocracy is making great headway.

We have a cotton crop in the United States in excess of 15,400,000 bales, and the government holds 1,700,000 bales. In 1930, the United States produced 15,000,000 bales and the rest of the world 10,000,000 bales of cotton, and this year the rest of the world produced 19,000,000 bales. The consumption is only 16,000,000 bales if we run at the consumption of this year and last. We have practically a three-year supply of cotton on hand. While we had less than a million acres of cotton this year in the United States, we may ask what is Washington going to do when it has to consider the abandonment of 16% of the cotton acreage of the United States. The foreign countries are enlarging their industries, and the market for the United States cotton has practically disappeared abroad. Unless we have a drought, we can expect to have a lot on hand -- unless we change our policy. We will have to plow up four out of five acres instead of every other one. What are we going to do if we have to eliminate 20,000,000 acres in our cotton area?

This year we will have 950,000,000 bushels of wheat and 2,000,000,000 bushels of corn. We made these estimates in the month of February, and they were estimated by Technocracy on acreage basis of March 1937. We have had an uncanny way of being accurate on crops for quite some years. It would be better for the government if they just took our figures, because as it is they correct theirs to meet ours.

The trend of events in the last 5 or 6 years has changed greatly. I remember the time when we publicized the sodium lamp some 6 years ago. The General Electric Company at that time claimed our statements unfair, stating that it was only a laboratory experiment; but we begged to differ with them. Today we are lighting our highways with sodium lamps. We publicized the first cotton picker and the first stripping mill. Going back further, frosted foods were devised by two Technocrats over 12 years ago, and frozen foods are sweeping the country today -- a revelation in the handling of foods.

There is another particular process which Technocracy is publishing all over, and that, of course, has to do with the method of raising food. For thousands of years, the only way man knew was to grow food in the soil, and we have had the man hoe, the man behind the plow, idealized for centuries. That day is not going to be long, because there is no sense in raising food in soil, because soil is only about 4% efficient, whereas water is 98-99% efficient. There are five farms in California working on this scale, and Dr. Gericke is supervising them. It has produced at the rate of 3,000 bushels of potatoes and 213 tons of tomatoes per acre. Production is raised faster and better. Potatoes are raised so fast the bugs haven't even got a chance.

Very shortly the housewife and the restaurants are going to have another development, and that is the cooking and serving by another method. The method employed in cooking the meal served this evening is the same as was used 6,000 years ago. There is a slight improvement, but the process is the same. Technocracy is really going to give us something. We will have the food cooked and kept in glass containers, and all we will have to do is dial it in and the food will come in cooked in a few seconds. A soft-boiled egg, which takes 3 minutes now, will be

cooked in 2-1/2 seconds. The food will be served mechanically so that there will be no employees in the kitchen. and the only employee in a restaurant will be the cashier. The food containers will be stacked up each day and hauled away. We never heard of a female acquiring social prestige over a cookstove.

The moment that you can organize as one single bargaining organization, the cooperation of that organization will eliminate many minor difficulties. If the CIO were to succeed 100% in this country, you would have the establishment of a corporate labor ealing with corporate industry. Washington would be holding the balance of power. Putting it mildly, you would have fascism under a cockeyed democracy. In General Motors. seven weeks ago, you had a strike which should have paid at least $5,000,000, cause production was running ahead of sales. The strike slowed down production. Five million dollars would be just a fair commission. Put the blame on the strike. General Motors sold less cars in 1937 than in 1936. The automobile industry is worried. but there are a lot more besides them getting worried. Eighty-one percent of the orders of this country are war orders. We are supposed to be the best country, yet our expenditures for war equipment exceed the expenditures of any country in the world. The war would be a very easy way out.

If F. D. Roosevelt leaves a cruiser down there in Shanghai -- and perhaps that cruiser will get a few holes in it, then we might have a way. Then it would be worse than if we had Hoover. Not that it's Roosevelt's fault, but we must remember that we have peculiar characteristics. We didn't defeat Hoover at the polls because we wanted Roosevelt. We always put somebody out because we have something against them. You know what happens when you promise your child or your wife something and you don't come across. You are in a tough spot! Stop and think of what happens when you promise 128 million human persons something, and then you can't come across. It is going to be tough. No one who leads a political party can come across. No matter who is in the White House, they are helpless to do anything except by compromise and promise. In order to get in on a political program, you must be something to all and nothing to everybody.

Lewis and the CIO were smart enough to know that they had better get out before the United Mine Workers fell in on them. There was $460,000,000 worth of machinery going into the coal mines of the U. S. The mines in Illinois were mining 10,000 tons of coal in 8 hours with 600 men. Twenty-five of the giant 50-ton shovels, of which 8 have been ordered since the publication, could dig all the coal needed for the U. S. on 8-hour shifts. Underground mining is moving up. We can dispense with most of the men underground, and it is possible to mine 30,000 tons of coal with less than 100 men. These men will be merely machine tenders. You know that no person ever acquired social prestige mining coal.

The same trend is on in distribution stores. One of the newest thing in stores is where you come in and there are no goods on open shelves at all. All goods are behind glass, and you are given a key. You walk around and insert the key in the lock for each type of goods you want, and each time you insert the key, a package comes out all wrapped. You come back to the desk, turn in the key, and when the key is inserted in its slot, you get your slip. Well, why not? You have to put that store clerk out of business anyway, and there are too many of them anyhow.

You have read about the continuous run stripping mills for steel in your newspapers. This is only a start. In Baltimore, a plant is being erected for the continuous rolling of strip steel. The steel comes out put into one continuous strip steel. The glassblower saw Samuel Gompers rise to the head. The blowers are no more, and now the plain steel roller is on its way out. And why not? Many instances could be cited where manufacturing will go on in a larger scale with fewer men.

PUBLIC LECTURE. HOWARD SCOTT 8-27-37
APPLETON. WISCONSIN

Paper is one of the chief products of Wisconsin, and the new plants run 1,800 miles of paper a day: and they are automatic more so than any paper plant they ever had. It employs less men and does more work. The industrial plants in the south are greater than they have been in the last 40 years. There are enough rayon plants at the present time that if we expect to keep them running to full capacity, women will have to wear two pairs of stockings and two dresses at the same time.

On this continent, with more brains, more ability, with our elevation and climate, with a fortuitous setup better than on any other continent, more trained human beings than anywhere else, and with the best and greatest machinery known to man, with all this staring at us, we had to create $17 billion worth of government debt since 1932. There are 8 million unemployed in this country today. Industry in the U. S. today is overemployed. There are 4,300 employees in the Bell Telephone service in this ountry who are not needed today. We would fire them because we don't need them.

The United States Steel has too many employees. Upon completion of the new steel plant, there will be 70,000 full-time employees who will not work in the steel industry again. There will be 160,000 coal miners who will not be required to mine coal on the next contract date. How are we going to solve this?

There are 5,600 counties in the United States, and there are 175,000 political bodies employing 4,400,000 political parties in the 5,600 counties. Can you imagine any political party saying that they will have to commit suicide? The only time they become extinct is when they are washed out and there is no payoff. When there is no payoff, it is a national washout. That is what we are headed for. There was a time when the local communities could meet over cracker barrels in the general store, and with the slow means of communication and transportation they had, Washington could do mostly anything and their lives would not be changed. Today, they hardly get started in Washington before we know all about it. Did you ever hear of an engineer trying to improve his paper plant by counting noses of employees? If you did, you'd lock him up. When we get a pain down here on the right side, we go to a doctor to find out what is the matter. We don't vote on it first, because if we do, we die. You can't vote on your blood count. Just remember that. You can't vote on any problem that affects 170,000,000 people on this continent.

The last time I was in Alberta, I was invited to a dinner by a certain politician with the hope that he could persuade the Technocrats to support his party. "Mr. Scott," he said, "Why don't you and Technocracy come in and stand back of the Social Credit Party and show us what to do?" I said, "Show you what?" The Premier was unable to answer because he didn't know, and no politician does know.

Do not think that after the United States goes off the Price System that we would not be compelled to assume operating responsibility for the rest of the continent. Canada would be taken over in less than a year, and Mexico in two years. The moment the Price System is abandoned, it means an economic responsibility for the continent.

The Old Age Benefit Law is probably one of the biggest jokes on the citizens of this country. There is a maximum of $85 per month that you could receive, and in order to get this $85, you would have to receive $4,300 per year for 43 years. How many adults in the United States are earning that amount? The Social Security Act is another racket. It is a process of building a fund in order for the government to purchase bonds, which, in reality, are only pieces of paper. It enables the political administration to have huge revolving funds to manipulate.

In the endeavor to arrive at a technological solution to all our problems, we dare not consider anything of a political nature or structure. Technology is moving up all over the continent, and as every manufacturer and businessman seeks to lower his operating cost, he will put in faster and more automatic machinery; and as this happens, more energy will be converted and conformed. The only way we can attain abundance is by having humans work less.

In all the human history, we have fought and died for the right to wear overalls, and now modern technology comes along and shows us just how stupid we have been. Let's put the overalls on the machines where they belong. We can obtain the leisure and security we desire on a basis never before dreamed of -- not by any political force, but by building a disciplined and trained organization. You can have it orderly or disorderly. The only proposition is whether your organization will have an orderly disciplined social change or whether you have chaos. You cannot have a revolution. The choice is yours.

There are enough people in this room to go out and organize the State of Wisconsin in no time. Remember, I can't do it alone as an individual. It is your organization. We do not make any money on it. All we get is our meals and clothes and $10 per week. I get the same as everyone else. No matter how large it grows, the proposition will never be different. We are asking every American to get going and go out and really set up an organization, because it is your organization and nobody else's. It is not bought and paid for by any organization on earth. Let's see what you can do.

QUESTIONS AND ANSWERS

Q. What would happen to a man who committed a crime and tried to hide out and escape the authorities?

A. A man wouldn't be able to go very far because we could follow him by his purchases. Provided you are an identical twin, working at the same occupation, then you might have a chance in four billion of beating us. We don't have to worry about counterfeiting, because there are no checks. The certificates are non-negotiable. You can't save it and you can't give it away. You are not compelled to spend it, but if you don't, the load is cancelled out. The moment a man tries to hide out and buys anything on this continent, we would have him. The moment that any one individual bought, say, 30 pairs of shoes in a month, the wards would have him for examination. We would have a check on venereal diseases and any other diseases, also.

Q. Would we have the privilege to travel to a foreign country, and what would be our purchasing power?

A. You could go to the Bureau of Foreign Exchange and exchange your certificate for the amount of foreign money desired. You could enjoy yourself, but you could only return and go on an American ship carrying an American flag. There would be no company building ships abroad for this country. You could spend your certificate abroad.

Q. You state that there are 8,000,000 men unemployed in this country. We were under the impression that there was no accurate figures dealing with unemployment. We were wondering if your organization conducted a survey of this or if you have it how they went about it?

A. It is rather difficult to check the unemployment records of this country. The population is increasing at 800,000 per year, and the manufacturing agencies are not employing the men

they did in 1929. In 1919 and 1920, there were 27 billion man-hours in industry. There are around 53 and 54 million people working. Our figures run around 9 million. We can't say they are accurate because they are taken from other records. We don't take a census.

Q. What about the young people?

A. There is never any inducement required for the youth if you can show him the way. There are some 34,000 radio stations on this continent. You don't have to worry about the youth entering into football, baseball, etc. Once you offer an opportunity, the youth will do the rest. Anybody who doesn't wear a necktie today is the only one who has integrity. There is no law on this continent that compels a man to wear a necktie. The only thing is that he is afraid of the consequences, social disapproval, and the system under which he lives. The moment that you change the conditions of the human beings, you do not have to worry about the youth.

Q.. Why do you use the Monad as your symbol?

A. The Monad is one of the oldest symbols known, and it was chosen because of its simplicity of design. The two parts are named "yin" and "yang". It is of striking simplicity, and Technocracy is the only organization that uses it in vermillion and silver.

Q. Is the certificate issued at the time of birth or at the age of 25?

A. It is issued at the age of 25, but there is a separate maintenance set up for the child previous to the age of 25. Education as we now know it would be abolished, because it is, as we know it now, administered by a bunch of chiselers. Under Technocracy, when the child is born, there is subsistence for every child apart from the income of every parent, so that if the child doesn't want to live with you, they won't have to. Most parents ruin their children. In most cases, the women bring the children into the world for penance mostly because of a mental disease, according to a private survey by the New York Hospital: therefore, the child will have a budget and an allotment for it. The checkup by the distribution system shows whether that budget is over and above the estimate.

Q. If there are to be no deeds, how would the property be distributed or taken care of?

A. Under Technocracy, you will have a purchasing power, and with this power goes transportation, housing, etc. If you want additional housing or houses, you would have to surrender purchasing power. Houses as we know them now are not houses but just a place you call home. When Technocracy comes, there will be homes constructed as follows: The walls will have to withstand a temperature of 700 degrees without showing more than 10 degrees rise on the other side. It will be soundproof, heatproof, waterproof, and will not require any paint, plaster, lath, wood doors, hinges, and will not have doorknobs. For the first time, you can have real privacy, because most of the people in modern apartment houses are scared to death to live for fear their neighbor will hear them. Now you will be able to knock on the door and no one will hear you. It has a beveled edge, including a photoelectric cell, airtight and watertight. It will be a steel structure with rods running through, and all you will need to put it together is a socket wrench and an electric drill. It is built on a mass-production basis 150 miles per day in 20-foot sections. It is fabricated steel with wool, and it is faced on the outside with the colors magnetized. The floors and walls will be the same material. It is not heated with radiators. The human body will take care of that. Of course, this will bother us a lot.

The women are going to like this, because they will be economically independent of every male. The woman has her own income until she dies. For the first time in history, the male will really have to be good -- and how!

Q. Why aren't these put in use?

A. When I first announced it in 1932, it was photographed, and the National Bricklayers' Association and some 100 other different organizations all protested against it, because we don't intend to use the present-day material and workers. You will have no need to use the present-day material and workers. You will have no need to carry insurance, and if you don't want the house in the present location, you can take it apart and move it to another location.

There are also some blueprints out on the automobiles to be used. They are streamlined, tear-drop design, 6 cylinders and 2 pistons in each, diesel, flat in the rear, with no mechanical brakes. The wheels turn 180 revolutions at a top speed of 120 miles an hour: 6'4" wide inside measurement: seats 4 people side-by-side. The automobile is built to run 350,000 miles.

Q. What about the new leisure we will have?

A. Life has been up to now a preparation for death. Hitherto, your country has asked you to die for it. Technocracy asks you to live for it. As for leisure, when you change conditions, you are changing the entire conditions of 170,000,000 people. It is impossible to change the biological structure, but you can change the conditions. Today, we have a great competition, the desire to acquire decorations. We do a lot of funny things and courageous things in trying to acquire these. We will change the condition so that people will spend more thought in getting rid of decorations. We simply will confer on children of a certain age certain decorations. Every child will have to wear them, and, as they grow into adults, any time they achieve anything of note, one is removed. We will design the cities with parks and boulevards and pass the regulation that those who are decorated must ride and those without any decorations will be permitted to walk. There will be the most intense competition to get rid of the decorations; therefore, there will be plenty to do in your leisure time.

Technocracy is asking you to live, not to die. Of course, some people probably will be so affected by so much purchasing power and leisure, they will kill themselves off, but that will be a small percentage. At 45 now, you are all worked out. There will be thousands and millions of things to do if you are not burned out. It is up to you to use it. If you want to kill yourself, that's your business.

Q. Will we ever experience a corporate state, and, if so, how long will it last?

A. I doubt whether it would last 18 weeks. The City of New York has 1,535,000 telephones alone. The problem of operating New York is a greater problem than operating one-half of the world. The U. S. could take over New Jersey as a policing job for only about 72 hours. Twenty-four hours after that, they would have to take over the other states, too. The United States is not big enough to have a fascist suppression in this country. Chances of fascism in the U. S. is just as remote as a celluloid cat catching an asbestos dog in hell.

SOME SALIENT POINTS MADE DURING HOWARD SCOTT NATIONAL TOUR

August 22 through September 1, 1937

HOOVER, THE ENGINEER

He never was an engineer. The country turned on him with the greatest animosity I have seen in years, and I venture to predict that in two years you will see the people turn on Franklin D. Roosevelt with the same animosity. He is no better and no worse. He is merely a politician attempting to pull up this Price System of ours by legislative means.

CONGRESS

Every time those 600 individuals that we send down there start to deliberate on a problem, before they get half way through with it, the problem is entirely changed. So you see, it is rather difficult for any representatives of the people, so called, to really do anything about it. You cannot blame them. They are representatives of a system, and while it worked very well when our forefathers opened this continent, it no longer serves the people today.

VOTING

The people in Vancouver frankly admit that Technocracy has caused such a decrease in voting that only 50 percent of the people vote. There are only 70 percent eligible to vote, and we have reduced that figure. How much farther will we have to reduce it before the political party will quit? When 66 percent is against any political office, who wants to take office? In Arizona, we reduced the vote 37 percent. It will probably take us a couple of years to move east.

THE STEEL INDUSTRY

You know, the United States Steel Corporation was in a very great hurry to sign with the CIO, and there was a very good reason for that. U. S. Steel had contracts with Great Britain for armaments, and J. Pierpont Morgan & Company advised them to sign so the armaments could be delivered on time. Don't think for a moment that the CIO gained a victory. Mr. Morgan gained the victory. There are a hundred independent steel mills that likely will go out of business in the next 18 months. That will naturally release between 70,000 and 80,000 men. Those 70,000 or 80,000 will never have a job in the steel industry again. Where are they going to work? That is hard to say. Washington has an idea that this can be remedied by giving relief, and the faster it gives relief the faster business in this country will take a slump.

AUTOMOBILE STRIKE IN THE SPRING OF 1936

The CIO should have been paid $5 million cash because General Motors was oversold, and the strike saved them $5 million. Had it not been for the strike, there would have been 200,000 more cars on their hands than were produced last year.

There are so many rayon plants in the U. S. that each woman will have to wear two dresses and two pairs of hose at the same time in order to absorb the output. Where is all this leading to?

The poor workers in these industries are suckers. They like to think that if they organize on the basis of a union they can get somewhere. And where do they get? The

cigarmakers were well organized and had built a fairly sound labor organization. Where are the cigarmakers today? There are only about 8,000 left in the country. The machine ran the hand cigarmaker out of business. Even if we organized the entire country, it wouldn't help. There are 52 million human beings, at least, capable of being employed.

CANADIAN RELIEF ROLLS

In Saskatchewan, the sand is blowing across the railroad tracks today. Their great wheat yield in 1928 was 40 million bushels. This year their yield is 1-1/4 bushels to the acre. Millions are affected by the drought in Western Canada; 936,000 were on the relief rolls in Canada the first of July this year. Canada has a much higher per capita debt than the United States.

NEW ORGANIZATION NEEDED IN NORTH AMERICA

Life on this continent now requires a new type of organization, not a labor organization and not a political organization. We have a technology and a mass production that is so far ahead of anything else on earth that that organization has to be developed here. Technocracy and the application of physical science can solve our problem, and they are the only things that can solve it. We have the ability. We have more trained people than all the rest of the world, and yet we are so childish. We have to organize on an entirely different basis and not protest by street demonstrations. You go on strike. What do you go on strike for? To get a raise in wages, and you get a miserly raise in wages. The easiest way out is the best, we think. Just so we can send our children to school. We want our children to be able to get by without working. We have more potential chiselers in the U. S. than there are in the whole world. There is no class struggle here. There are only two classes -- suckers and chiselers.

Society will progress in the future, not by working human beings more in an economy of scarcity, but by working them less in an economy of abundance. Under engineering management, 3,300,000 men -- even now -- could do all the necessary work on this continent. Work was never intended for human beings anyway, and we engineers know it better than anybody else. The only way you can beat technology on this continent is to throw all the machines into the sea and shoot all the technologists; but if you are going to keep this technological civilization and push it to even greater heights, you have to keep the machines and technologists and put them into a position of dominance, eliminating the interference control of politicians and businessmen.

STATUS OF TECHNOCRACY, THE ORGANIZATION

Technocracy is now operating in over 30 states. We are also in Canada and Mexico. Technocracy will be the dominant organization in Canada in the next 18 months. It has been said, "God is on the side of Technocracy, and it is very peculiar, but He seems to be so." In other words, God has to be on the winning side. In Napoleon's time, God was on the side of the heaviest artillery.

"CHALLENGE TO COMPLACENCY"

Extracts from 1937 Lectures
by Howard Scott
From THE TECHNOCRAT MAGAZINE
Published January 1938

ON PRESENT CONDITIONS

§ The greatest struggle in history is now going on. It is a struggle between two methods of doing work: one by a maximum of human labor, the other by the maximum application of technology, with a minimum of human effort.

§ While preaching the inherent right of every citizen to work, the government is financing industry toward more technology, thus actually reducing the opportunities for work. Washington and Ottawa are both in possession of the facts, but they practice misrepresentation with misinformation.

§ By underwriting the boys at the top and providing a dole for those at the bottom, government is liquidating the Great American Middle.

§ There has been more damage done in this country by sincere damn fools than by unscrupulous crooks.

§ As the financial institutions approach 100 percent liquidity, the interest rate approaches zero.

§ The faster debt is created, the shorter will be the time for the life of the Price System.

§ Every businessman is just as much on relief as the reliefer -- but the man on relief knows it.

§ While a hue and cry is being raised over the 19 million or so venereal cases, less is said of some 48 million citizens who will carry the effects of malnutrition on to the second and third generations.

PREDICTIONS

§ That "Banks would close in April 1933," was predicted by Technocracy in July 1932. (They went us two months better and closed in February. The relief measures, which later constituted the New Deal, were also pointed out during the Hoover administration.)

§ Fifteen major predictions have been made by Technocracy; 14 of them have proven correct. The 15th is not yet due.

§ In 1933 at the American Association of Arts and Sciences in New York City, with a continental radio hookup, Howard Scott made the following statement: "The day will come when the banker, politician, radical, working man, and businessman will all be in the last ditch, all fighting to preserve the values of the Price System." (Note the recent proposal of Lammot du Pont to spend $25 billion to stimulate industry and therefore prop up the values so necessary for the existence of his kind. Note also the struggle of the labor unions for the right of the laboring man to struggle.)

QUOTES FROM THE 1937
HOWARD SCOTT TOUR

Jan. 1938

OPINION

§ Only when there is zero opinion in the arrivation of social decisions in the operation of a technological totality will there be a maximum of personal selectivity, choice, and opportunity.

§ There could be one time -- under this system -- when we might make a decision by voting. That would be by a referendum to vote the existing political system OUT and the Technate IN.

POLITICS

§ Our present political mechanism is as much of a useless heritage as the habit of an apartment-bred dog imitating his wild ancestors by circling before lying down on a terrazzo floor to trample grass which isn't there.

§ Politics is the natural approach of collective moronity to something it does not understand.

§ No one but an idiot would attempt to be logical about an illogical problem.

§ Democracy is an institution wherein we permit the citizens to believe that they are free and that they are participating in the national decisions. This is our greatest blockade to social progress.

§ Just because Democracy is on the way out does not mean we must necessarily substitute any other European philosophy of government.

§ Society cannot pull itself up by its philosophic bootstraps.

§ Every time you vote for any political party today, you are voting your approval of the status quo.

§ A party platform is made to ride in on, not to stand on.

§ Communism is a moral philosophy proposing a more equitable distribution of a scarcity.

§ You can only have a fascism when you have more than 65 percent of the people on the soil. We are 80 percent urban.

§ The nominal government consists of the officials elected to office; the de facto government consists of the major holders of debt claims; the nominal government is just the office boy for the de facto government.

APPROACH TO A TECHNATE

§ Contempt for the status quo has never yet occurred at the top of society -- only at the bottom. (It is now occurring in every social stratum.)

§ If Jefferson, Jackson, Napoleon, Plato, and Socrates could all dine together, they would understand each other perfectly; they lived in the same kind of world. They would be lost now and total strangers to this modern world of technology. Population has increased ten times since Jackson's time while power production has increased 353 times -- mostly since 1903.

§ When the scalar quantities are changed, that is, when there is a change in magnitude, the problem is entirely changed. This is true of our social mechanism. We are now operating on a scale of such magnitude that our social mechanism has become a technical -- not a philosophical -- problem.

§ When the Wright Brothers made the first human flight in a powered heavier-than-air craft, the Western Union refused to transmit the news -- it wasn't so. The NEW YORK TIMES refused to print it -- it wasn't so. Our present condition has never had any precedent; therefore, to the minds of Price System apologists, Technocracy's correct analysis of it "isn't so."

§ The conduct of human affairs on this continent will have to conform to the technique of operating our energy-consuming devices.

§ The proposal of Lammot du Pont that industry spend $25 billion to put three million men to work is the first demonstration in history of the dominant social group financing itself out of the picture. Twenty-five billion spent for new technological equipment will just about do the job.

CONDITIONS UNDER A TECHNATE

§ The Technate will be the first government in history to guarantee the livelihood of man from birth to death.

§ For the first time, you would have the governance of man by the physical operations.

§ Decisions in a Technate will be the closest approximation of the existing data.

§ In a static society, it is almost impossible for real functional ability to rise.

§ In a pile of potatoes in the field (static state), the big potatoes will be found outside near the bottom. After a transcontinental trip in a freight car (dynamic state), the big potatoes will be found on top. It is not the desire of the big potatoes to be on top that puts them there; it is the tendency of the small ones to gravitate to the bottom, the position of least action.

§ The human being as a source of energy is not so important as he used to be. He will be more important in the future but in a different way -- not as a contributor of effort; for example, Peoria, Illinois, and several other cities are generating power from city sewage. A 5 percent addition of cornmeal to breadstuffs will increase by 150 percent the extraction of methane gas. In the Technate, a citizen will be more valuable for his excreta than for his physical labor.

§ Transportation by water, being one-tenth as costly as by railroad, will be used on a continental scale after the development of a Continental Hydrology supplying water routes from border to border.

§ Houses will be designed as "machines for living" and will be provided on a continental scale. Present concepts of professional architects as to housing will have to be scrapped. The majority of people are now living in unhygienic rat houses.

DINNER SPEECH
Valhalla Restaurant, Chicago
August 26, 1937

Published in FEDERATION NEWS, September 6, 1937

Howard Scott, Chief of the Technocrats, stopped off in Chicago August 26. Accompanied by Harold Fezer, his tour manager, who had driven through from New York, he was on his way to begin what he calls his annual continental tour of more than 200 organized Sections in western United States and Canada. No formal lecture was scheduled for Chicago, where the number of Technocrats is comparatively small, but local adherents had arranged a dinner in his honor at Valhalla Restaurant, 5250 North Clark Street. There was a total attendance of about 100 members and friends, among whom were many members of local labor unions. In a short speech, followed by questions and answers, Scott explained how advancing technology and machinery spelled the doom of labor and and its organizations, bringing in their place abundance and leisure "whether we like it or not."

"Increased use of power," he said, "is synonymous with unemployment. It is only a matter of time until machines and technological processes will put most of us out of work for good. If a lot of you live another 10 years, you won't be doing any work. Enforced leisure is going to be hard for you to take, because you have been accustomed to think that if you can only get a job, you will really be going places. But you will not -- you will only be going to work! For 6,000 years you have had preached to you the morality of work, which is a myth. Nor did anybody ever build up any social prestige by working. Nobody ever got rich by work; if he got rich at all, it was by getting other suckers to work for him. That would give him economic advantage. Without that, he would have no economic power. Society will progress in the future, not by working human beings more, in an economy of scarcity, but by working them less, in an economy of abundance. Under engineering management, 3,300,000 men, even now, could do all the necessary work on this continent. Work never was intended for human beings anyway, and we engineers know it better than anybody else. The only way you can beat technology on this continent is to throw all the machines into the sea and shoot all the technologists; but if you are going to keep this technological civilization and push it to even greater heights, you have got to keep the machines and technologists and put them into a position of dominance, eliminating the interference control of politicians and businessmen.

"Modern technology has already wiped out a good many things formerly dear to us. It has seen the passing of such institutions as the glass blower union and the cigarmakers union, in which Samuel Gompers got his start toward bigger things. The Washington machine now makes the cigars. You can make a million cigars a year by a machine photoelectrically controlled.

"John L. Lewis goes out and starts the C.I.O. because he foresees that his base in the United Mine Workers is going to pass out soon. He was smart enough to know that coal mining is on the way out; $460 million worth of labor-saving coal mining machinery is being put into use. And why not? Did anybody ever acquire either wealth or social standing working in a coal mine? The same process is going on in the steel industry. One after another, the intermediary jobs between the smelter and the mill are being eliminated. Direct rolling of steel is almost here now. The direct rolling of metals is not merely a dream. The time is not far off when they will be forged in one process from the electric furnace to the mill, without ingots, billets or slabs, the molten metal going directly to the mills through a tube. Where will all your open-hearth workers be then? They were the skilled and indispensable workers who drew the big wages. Soon their jobs will be no more -- and why not? There never was any sense in running an open hearth or even a blast furnace if a better way could be found.

"We organized Technocrats are responsible for popularizing a new process in the growing of foods. It is known as the Farady Process of soilless plant culture. Soil only serves as a vehicle for containing the food for plant life; and as a vehicle, soil is very inefficient. On the other hand, water is 99 percent efficient as a vehicle for plant food. The tank method of raising vegetables is now in commercial production, not only in the west but also in the east.

Dr. Gerricke, who is the foremost sponsor for the system in this country, has gone from California, where he lives, to New Jersey to supervise the installation and operation of several units there. These will be in regular operation by next spring and may be expected to outdo the old methods in every way, including economy of production. All the process requires is a tank with 6 inches of water in it, covered with a chicken wire screen holding up a layer of wet excelsior, straw or other fiber. Seeds or plants are set into this, liquid chemical fertilizers are squirted into the water, and an electric heating unit installed to maintain a favorable temperature. This method will produce 3,000 bushels of potatoes to the acre, 217 tons of tomatoes to the acre, and tobacco 14 feet high. In other words, we are going to put the farmer out of a job. Why not? Nobody ever acquired any social prestige following a plow. The only way a farmer has ever been able to get rich was by employing other suckers to follow the plow for him.

"Some years ago, somebody discovered a new and better process of preserving perishable foods -- the quick frosting process. It catches and holds all the crispness and flavor and attractive appearance of fruits and vegetables fresh from the garden, without the deterioration caused by ordinary freezing and thawing. The process can handle anything from cabbage or spinach to fish. The preservation of quality is so perfect that experts declare foods put up by this process are the only ones worth eating. And simple? Why, the housewife merely buys them at the chain store, takes the wrapper off, and they are all ready to eat or cook as the case may be. This, again, is going to throw a lot of men out of work.

"During the recent depression, many businessmen, in despair at results of the impact of oncoming abundance upon the price system (which must depend on maintenance of scarcity), jumped out of 20th story windows and landed on the sidewalk. During the next depression, they will jump out of 40th story windows and crash right through to the sewer! But you won't have any revolution in the United States. It is impossible. You can have revolution in an agrarian society like Russia. It is comparatively easy to carry on a revolution, over long periods of time, where 90 percent of the people can go right on living their lives without being aware of it. In this country as a whole today, 76 percent of our people do not derive their living from the soil. They derive it from technical equipment; and in the big cities, the situation is even more appalling. In New York, we are all dependent, every day of our lives, upon the continuous operation and smooth functioning of our technical equipment. The deadline for water supply and electric power in New York is 5 hours and 15 minutes. Neither the Marxian poletarians not any outfit of fascists could succeed with a coup d'etat there. There would not be sufficient time before chaos would ensue, frustrating all their plans. They couldn't take and hold onto the State of New Jersey, much less the U. S. All this talk of a railway strike at present is sheer stupidity. You can't have a railway strike anymore in the United States. No interruption of the railway service in this day could be tolerated for a moment. You would probably be mobilized into the United States Army. Such tactics on the part of labor belong to yesterday. Today they would be suicidal."

Clad, like his tour manager, in a striking plain gray suit with shirt of darker solid gray, black tie and shoes of tan, he explained that this is soon to be the regulation dress for all Technocrats everywhere. Asked if such uniform style of dress would not savor of fascist methods, he adjured his questioner to look to his definitions. "Fascism," he said, "is defined by us to mean all the minor rackets welded into a major monopoly for the preservation of the Price System." He explained that Technocracy would abolish the Price System, including business, politics and the wage system of distribution. The government would handle all the production on a balanced, engineering basis and distribute the products according to need. Money, not being wealth in itself, but only debt certificates, would be no more, and the entire resources of the continent would be devoted to providing every man, woman and child with an independent income in goods and services, with assurance of security from cradle to grave. Asked upon what he based his prediction of imminent collapse of the Price System, he cited the mounting debt, governmental and private; the ever-increasing utilization of natural power, and the resulting unemployment of men. Consumption of extraneous energy (non-human power), he said, is increasing by leaps and bounds. "We are now converting 153,000 kilogram calories of energy per person per day, and the rate of growth of energy consumption shows a probable increase of 30 percent or more from now until 1940 or 1942. If 153,000 or less were sufficient to so upset the social structure as it recently did, consider what 200,000 per person is going to do. Not a single social institution will be out of the dump heap. All labor will be in the ashcan."

PUBLIC LECTURE
HOWARD SCOTT
CIVIC AUDITORIUM
WINNIPEG, MANITOBA
SEPTEMBER 1, 1937

QUESTION PERIOD

WHAT DO YOU THINK OF SOCIAL CREDIT; ALSO ABERHART?

Social Credit in the Province of Alberta is a cumulative approach to dementia praecox. It is a fine way of messing things up, but you cannot produce abundance under the Price System. Social Credit proposes to have a dividend. All credit is debt, and you have to have it and scarcity. You cannot produce abundance with any form of credit. You have to eliminate debt and credit.

As for Aberhart, we have sympathy with him. He promised $25 a month and didn't deliver; but he isn't on half the spot that Franklin Delano Roosevelt is on. You know what spot you are on when you promise your kids or sweethearts something. Well, Roosevelt promised 120 million people something. Aberhart can't deliver -- couldn't if he wanted to.

SOMEBODY IS TRYING TO BE FUNNY. WHO WILL SELECT THE MASTERMINDS UNDER TECHNOCRACY?

The Technate will be composed of all those who function, wherever they function; therefore, all the technically proficient -- whatever field they are in -- will form the Technate. It is a new design, construction, and operation of the processes necessary for your social system.

DO YOU THINK SOCIAL CREDIT COULD BE USED AS A STEPPING-STONE TO TECHNOCRACY? IF NOT, WHY NOT?

I think that is perfectly obvious. Any such approach is only used to maintain the Price System by modifying it.

HOW WOULD YOU KEEP SOMEONE PRESSING THE BUTTON WHILE SO MANY TECHNOCRATS SIT AND BASK IN THE SUN?

Under a Technate, the contract of each member requires -- to maintain your citizenship -- that you put in the years from 25 to 45 of your life. At 45, you have completed your social service of citizenship, and you are free to spend your income wherever you want -- making mudpies with the Eskimos or playing tiddlelywinks on the Gulf of Mexico. You cannot be compelled to work, although you may offer your services. You cannot be compelled to work after age 45. That is quite different than today.

WHAT PROPORTION OF THE PEOPLE IN ANY COMMUNITY WOULD BE WORKERS OR NON-WORKERS?

Under Technocracy, your calendar is divided into 364 working days and one zero day. There is no sense in the New Year (as is). That was only to have it close to Christmas and have a buying proposition in cold weather. The new year would be the first day the sun passes the equator -- the 22nd of March. Your calendars would never have to be reprinted. They would be eternal. There would be 3/7 of the population working at any time in any center; the other 4/7 would be off. There would be no rush, as the same proportion would be working each day of the year. You would have a balanced load.

PUBLIC LECTURE BY
HOWARD SCOTT
WINNIPEG, MANITOBA 9-1-37

WILL HOWARD SCOTT PLEASE TELL US: HOW IS THE TRANSITION TO BE ACCOMPLISHED WITHOUT A BREAKDOWN IF THE POLITICAL MACHINE IS NOT USED?

Transition can be done fairly easily, provided you have the organization. Unfortunately, you have not the organization -- not large enough in spite of its enormous growth -- to say it could be responsible for a social transition. Now, what the man had in mind in asking the question -- if you want to know the tactics, frankly, what do you want to know for? For the same purpose as to know the exact time, so you can sell everything short.

IN TECHNOCRACY, WOULD PRAIRIE CITIES EXIST OR WOULD PEOPLE TEND TO MOVE TO MORE ATTRACTIVE LOCALITIES?

That is a good quesiton. Why not? The wheat farmer, aided by Morgan, fell down on the job for a very simple reason. He only used 58 days of the year. If he had five such areas, he could have cut down his overhead in Montana. Businessmen aren't smart -- they are penny ante chiselers. If that *were the case, why should you live in places it is not agreeable to live in or not necessary to live in?*

Your housing here in the Red River Valley -- you have similar in the Black Mississippi. Some of you will say it is better, but down there it isn't cold. You can have openings in the wall. It doesn't matter. You wonder how they live in them in either place.

There is no reason, under Technocracy, for having individual farms. You will move the cities to where there is water, climate, and enough energy to maintain them. Cities under Technocracy will have no postmen, garbage men, package delivery, no traffic men. That is all taken care of automatically. It is an entirely different design.

COULD A TYPEWRITER BE INVENTED TO DISPLACE A STENOGRAPHER?

That isn't what a businessman wants a stenographer for; and considering the way he is treated in a lot of homes, you can't blame him.

HOW WOULD YOU MAKE THOSE WHO CONTROL WEALTH LET GO OF IT?

You don't have to let go of it. The interest rate approaches zero. Financial institutions have more money than places to lend it. As each government unbalances its budget further, they have to borrow more, and as they borrow more, it makes more borrowing easier. Get some banker to explain that to you.

A banker is a merchandiser of debt. As the interest rate approaches zero, it becomes harder and harder, and the banks carry more and more government securities. Over 400 banks in the United States have gone into voluntary liquidation. They didn't fail; they were just smart. The State Bank of Oklahoma had to get a writ to compel the depositors to come and get their money.

The rate of growth of insurance companies is 7.78 percent per annum. Another 35 years at that rate, and the life insurance companies of the U. S. and Canada will own 95 percent of all that is ownable on the North American Continent. If the life insurance companies don't get you, Technocracy will.

Not only does technology produce more goods, it also enables you to amortize at the highest rate known. So the life insurance companies, who have been responsible for financing the installation of equipment, will find themselves with not one billion but four to five billion they won't be able to invest. As money becomes plentiful, it also becomes valueless. If money has no value, you won't bother to hang onto your money.

WILL YOU PLEASE EXPLAIN THE TEACHING SYSTEM UNDER TECHNOCRACY?

You have what is known as an educational system. Each father or parent has earnestly sought the best education for their children. It is just that that sort of inheritance should be passed on. It is not the fault of people but of school boards. Our educational system is not for training the children to be functionally competent but for the indoctrination of chiseling so they may acquire sufficient astuteness to avoid toil.

Macy's requires salesgirls to be college graduates in order to sell lingerie or toilet paper. Standard Oil is going to require it next.

WHAT WOULD BE DONE ABOUT HUMAN INSTINCTS LIKE GREED, ETC.? WOULD SOME NOT TRY TO WRECK THE SYSTEM?

Instincts are a very interesting proposition. An instinct does not necessarily have to be of any use. An instinct is an habituated action pattern. You have noticed the dog. Of course, out here they have more chance to get out in the open. Still, in the cities dogs that have never been out in the bush, yet on a marble floor they turn several times to trample down the grass. Once upon a time that was the instinct to make a bed and it was necessary; but when used on a terra-cotta floor, it is an example of stupidity in dogs.

People say you can't change human nature. We of the engineering profession approach it in another way. The only method of regulating has been to prohibit. You have noticed the sign, "Passengers are prohibited from standing on platforms," in railway cars. Engineers came along and designed a train without platforms and said, "Stand on them if you can." Go into a modern plant and you will see signs: "Employees who do so-and-so will be subject to immediate dismissal." It doesn't stop an employee from being hurt. (Illustration re accident-proof presses) You cannot be hurt by any operation of the machines. Put your hand in, and it won't work. Even cigarette smoke will stop it. The product can be made responsible. The creator is only responsible occasionally.

WHEN MAY WE EXPECT TECHNOCRACY TO TAKE CONTROL? YOU SAID 18 MONTHS.

I am sorry. We made no such statement. I don't like to deceive you. Somebody must be in a hell of a hurry. We hope it doesn't come that fast, because you aren't ready for it, and you know you aren't ready for it.

Yes, if we had the personnel, we could issue that entire distribution system -- all interlocking file numbers -- tomorrow morning at 7:00. There are some 30,000 commodity and service numbers out. That takes an organization of all the continent. We don't expect to have that in a few months. As to when it will occur, that is something we don't know. It is a choice, and it depends on the choice of the people. Frankly, we don't give a damn.

HOW DO YOU PROPOSE TO EFFECT THE TRANSITION FROM THE PRESENT TO TECHNOCRACY?

Somebody here with the Marxian theory of the assumption of power. Communism is too bourgeois for this continent. We have to have a real organization. You don't run a system on Marxian any more than laissez-faire values.

WHAT DO YOU MEAN BY "DO SOMETHING?"

Technocracy wants those with functional ability. We want those who can give orders and those who can take orders, or both. If you want to know what to do, get into the organization and make it something.

HOW WILL THE MANAGERS BE ELECTED?

In every functional sequence they come up automatically by training. At present, you can elect a paperhanger to be president of a railway. I believe the last two Ministers of Railways in Canada have been paperhangers. They plastered you with enough paper.

In the sequence of public health or hospitalization, all plants and equipment for the maintenance of health, doctors, dentists, ambulance drivers, are in one organization. They are responsible for the execution of any health program. They have authority, but they also have to execute their own proposals. That is kind of tough. So you couldn't have a paperhanger rising to be chief of the public health or a real estate operator running the coal mining organization. They are trained in their field, and as they demonstrate their competence, they move up.

IS IT TRUE THAT THE U. S. GOVERNMENT HAS PURCHASED 57 INVENTIONS?

It is doubtful whether the U. S. has to purchase any inventions. Corporate business and finance does all the invention buying. Government in the U. S. is like Canadian government. It does what it is told. Roosevelt is just an office boy for the holders of debt. Fifty-nine or two hundred fifty-nine people in Canada -- what is the number? -- get all the gravy.

WHAT IS YOUR OPINION OF ABERHART'S ATTEMPT TO HELP THE UNDERDOG?

These people -- Upton Sinclair, Long -- are quite sincere. The majority of the members are quite sincere. They want more, but the generalship of all of them is cockeyed and lousy. You can't get abundance under the Price System no matter how you kid yourself or juggle. We don't wish Aberhart any touble, but if he stays in another four years, he may be the last Premier of Alberta -- if he lives that long.

IS THE AIM BEHIND TECHNOCRACY TO REACH THE STANDARD GIVEN BY JESUS?

May we point out that regardless of what you believe, there is only one way of raising the standard of living of any social system. That is by increasing the consumption of energy per capita. The conversion in the U. S. this year will be somewhere between 154,000 and 160,000 kilogram calories.

The doctrine preached by Christ was one of the greatest doctrines ever preached, but had there been 100 percent conversion to Christianity in the Mediterranean area, it would not have greatly increased the standard of living. All that could be done was to convert people to the idea at the time he was on earth.

While I am on this subject, may I say that the technological application of physical science is the only approach that makes it possible for you to be a Christian. Today you are only a Christian one day in seven. The other six days you are out making a sucker of your fellowman, and you know it. All right, for the first time in history, you can be a Christian and be proud of it. Try it today and you will land on relief. We are not attempting to malign anybody's belief, but we are being frank, and we dispute anybody's talk of being a practicing Christian unless he is a Technocrat, because you don't mean what you say; because you are tolerating scarcity and proverty, and when you tolerate it, you accept it.

May I ask you, did Christ tolerate it? Go down and look at the relief lines in any city. Would you permit Jesus Christ to get his food on the relief stations of this country? If you have guts enough to answer that question, you have guts enough to do something about it.

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HOW WILL YOU BRING TECHNOCRACY IN?

Those of you who were in the army -- did you ever ask your commander what the tactics were? If you did, you got no answer (except perhaps a "posteriore") except an "as you were." If he was dumb enough to tell you, he would be removed.

WITHOUT POLITICAL CONTROL, HOW WOULD YOU EFFECT THE CHANGE?

I may tell you this: If Technocracy were offered the support of all large corporations, it would refuse, just as it would refuse unanimous election on the part of the people of Canada and the U. S.; because it would be an emotional act in one case and a financial subsidy in the other. If it reached that stage, we would give specifications of this state and of the new. If there is 66-2/3 percent support, you can put in the new system. Make your decision on specifications and not on personalities.

HAS RUSSIA A BETTER DISTRIBUTION SYSTEM THAN WE HAVE?

It is the same system. It is not better and a little worse. We still have a higher standard of living.

When you go off the Price System, it will be the first great social change.

HOW WOULD PEOPLE BE SELECTED?

By competence.

HOW WOULD TRAVEL BE FINANCED UNDER TECHNOCRACY?

Your energy medium of exchange you take to the Bureau of Foreign Travel, and you are then permitted to purchase foreign currency; of course, as import licneses are not granted, you could bring back only trinkets.

You could only travel in bottoms of this continent flying the flag of this continent.

RE NUMBERS ENGAGED IN DISTRIBUTION.

1,700,000 stores. Retail stores are open a small part of the time and have customers part of the time. We can design a store with only one person, just as there only has to be one person in a modern restaurant -- no cooks, waiters, busboys -- only a cashier. Same thing with a store. There is in existence in the U. S. today a couple of them. When you walk in, you are given a key. The goods are all behind glass. You turn the key for a package of this or that. You walk through to a desk and turn in your key, and all the time packages you have turned on have been packaged and the account slip comes to you and you pay the cashier -- in Chattanooga, Tennessee.

DID YOU READ EDWARD BELLAMY'S, "LOOKING BACKWARD"?

I didn't read it until a few years ago. It is ideal, imaginative, projected in much the same sense as Jules Verne's "Twenty Thousand Leagues under the Sea." It is a sincere attempt and worth reading, but you couldn't design a submarine from Jules Verne's "Twenty Thousand Leagues under the Sea," nor a modern technological control from "Looking Backward." There is no precedent for this condition, and the solution cannot be on precedent. All the social theories ever written aren't worth a damn except to make Kleenex and such.

Those who create a civilization will eventually dominate it. The engineer and mechanic created this civilization and will eventually dominate it.

WILL TECHNOCRACY TAKE CONTROL OF THE BANKING SYSTEM?

There will be no banks under Technocracy.

DO YOU KNOW OUR CITY WATER IS DANGEROUS?

Algae does bother boiler tubes and other tubes. I think there are a lot more dangerous things. As one explorer said, "It is much safer with tigers."

HOW WOULD YOU TREAT THE BLIND?

Under Technocracy, there is complete public health and hospitalization, isolation and necessary treatment for those injured or disabled through accident or inheritance. These are taken care of with no charge on the relatives -- just as the children receive sustenance apart from their parents. So, you have a new system and attitudes. Today, with the drudgery, fatigue, and tension, it is almost impossible to give children a break. Most parents ruin their children. They can't do anything about it. Just as gastric ulcers are from tension -- doctors cure them, but they come back under the same tension.

IF YOU HAVE AN INCOME OF $10,000 A YEAR, WOULD THERE BE ANY INCENTIVE TO IMPROVE THE MACHINE?

What do you think we technologists do things for -- to earn money? Because we are fundamentally lazy. These people with talent mix things up. The people who carved the beautiful doors of Italy, they also want to go in for proprietary rights, without change. This reached the greatest height in India, when you had to be born into the occupation of gravedigger. We technologists have open season on talent all the time. As far as $10,000 a year stopping competition -- no, no. That would only increase the game. Do you really want machinery to do everything for you? Because we can design them for you, but I hope you don't.

Now I think I have done my best with these.

EXCERPTS FROM HOWARD SCOTT TOUR IN SOUTHERN ALBERTA, CANADA

QUOTED FROM "THE FOOTHILLS TECHNOCRAT" CALGARY, ALBERTA

Issue A-7, September, 1937

IN SYLVAN LAKE, September 18

The Price System is predicated upon scarcity. The continuance of the operation of this continent under a Price System depends completely upon the maintenance of scarcity; yet, under the inflexible rules of the Price System, in which every man must increase society's debt to him -- his claims upon the commodities of the system -- faster than society can create debt claims against him, we must all produce more, sell more, save more and more.

So it is that the Price System must work wholeheartedly at the creation of its own annihilation. The Price System must inevitably create abundance wherever abundance is physically possible, and abundance must inevitably break down a Price System. Price or value is, in general, the inverse function of available quantity and can be maintained only by scarcity.

In a state of abundance, price tends toward zero. The march of technology, with its increasing abundance, will destroy every value of the Price System. It is a clash between oblescence and modernity, between technology and value, between science and chaos.

Technocracy is a double-barrel organization. It is devising ways and means of cutting down human toil as the only possible way of making human beings into a technological army to direct the orderly transition of this continent from the era of scarcity into the era of abundance.

IN RED DEER, September 18

The values that were created by scarcity have brought about a conditioning of human beings that certain things have always been so and are likeable and desirable. We all have our pecuniary hangovers from the Price System -- the sins of scarcity.

We are sinful people, we humans, and how our sins stick! We believe in the morality of work. We have always believed that if we were industrious, honest, thrifty, and so on, we would be able to obtain some security in our old age. Yet look at the people of Saskatchewan. We passed them on the road -- moving out. It is true, you are better off than they are in Saskatchewan, yet your problem is not any different than it is anywhere else on the continent. Don't think you can get rich by work. Nobody but a sucker every tried.

You have been led to believe that you could, because political governments -- no matter what kind -- have had a fine time riding high, wide, and handsome on this continent for a long time. They won't last much longer.

By the "long-wall" process, we will mine 30,000 tons of coal in 24 hours with less than 100 men, and they won't be coal miners. They will be machine operators. We won't have to use explosives. We use 5,000 pounds pressure of compressed air, delivered through a steel-enforced rubber tube now being developed by the Goodyear Tire Co. We load the coal on conveyor belts at the rate of eight tons a minute.

EXCERPTS FROM HOWARD SCOTT TOUR IN SOUTHERN ALBERTA, CANADA

QUOTED FROM "THE FOOTHILLS TECHNOCRAT" CALGARY, ALBERTA

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John L. Lewis saw the handwriting on the wall and organized the United Mine Workers of America. The U.M.W.A. will see the handwriting on the wall -- when they run into the wall. That's the way we get the miners out of the mine and why not? It's easier the other way. Nobody ever got social prestige mining coal. People get social prestige by hiring some other sucker to do the work.

In Estavan, Saskatchewan, they have an eight-cubic-yard steam shovel. That shovel today is only a teaspoon. They thought it was a great, big shovel, but in open-pit mining today, under modern methods, we are using a 40-cubic-yard shovel, 125-foot boom, and 90-foot stick. It lifts 50 tons to the height of an eight-story building every 50 seconds. It operates by push-botton control.

We don't like to see a machine operator doing a lot of work pushing and pulling levers around; we want our technicians to give their attention to the niceties of machine operation. The controls of that machine look like the keyboard of a typewriter. An engineer is basically lazy. That's why he devises machinery, so that he'll never have to do it again.

The cigarmakers' union was strong enough once to elect a president of the A.F. of L. Today there is no more cigarmakers' union. What happened to it? Was it suppressed by the idle rich? Were the leaders bought over or put in jail? No. Present modern methods of machine manufacture of cigars in huge quantities, from leaf to finished package, use four girls to operate some phases of the process. The next installment of equipment will multiply production and eliminate the four girls.

Plot your cigarette production and you will find that the production curve rises as the employment curve falls. Why not? No sense in working if you can do it by scientific procedure. It is time you realized that.

The glassblowers' union was so strong, the only way you could get into it was to be born into it. It was the first union to wear silk shirts. You couldn't buy your way in. Today, the glassblowers' union and the glassblowers are almost as extinct as the dodo. We don't need glassblowers except for a little special fancy work. Today, we run plate glass in an endless strip by a continuous straight-line process that cuts it, packs it in cases, and piles it in counted lots. The work usually killed the glassblower at the age of 45. Now they're all well, happy, and on relief.

We puddled wrought iron for 1,600 years, right up to yesterday. Production per man was limited by the size of the ball a man could swing. Today, we produce 1 million pounds of wrought iron without any human beings. The wrought iron puddler has gone to join the glassblower.

The steel roller was one of the highest paid men in the industrial world. Where is he today? Non est. The new Republic steel plant in Hio runs steel in a continuous strip at the rate of 2,100 feet per minute and is operated from a control bridge by a dozen men watching instruments.

We'll get around to agriculture in a minute; so hold your breath.

British manufacturers squawked when Japanese shoes were dumped in England at two shillings and sixpence a pair. They were righteously indignant about the low wages Japanese labor was getting. We had to explain that when a sawed-off Nipponese slams his foot down just once on a control pedal of a machine and 240 pairs of shoes are soled, it doesn't matter a bit whether you pay him a dollar, fifty cents or ten dollars a day. The labor fraction is so small that it would hardly pay to add it up.

Great Britain was one of the largest cotton producers in the world. Today Japanese competition has chased Britain right out of the markets of the Far East.

American Venus pencils were dumped in New York from Japanese factories at 22 cents per gross. Technology is no respecter of person, race or color. The only question is: can you run it?

The boasted superiority of any group comes down like a house of cards if someone else has the machinery.

In the Ford plant, human beings used to watch gauges. We now use the photoelectric cell and the cathode ray to test pieces for size, weight, or what-have-you. Why wear out human eyes? Let's have the machine.

Women have cooked the meals of the world from the beginning of history. You cook them now by the same means and in the same way in your nice, shiny stoves that the savage used 20,000 years ago. You cook them from the outside in.

We technologists decided that there is really no use having a woman cook her life out over a stove. No woman ever acquired social prestige that way. If you want to boil eggs, you have to build a fire, boil the water, then cook the eggs for at least 3-1/2 minutes. We cook eggs now in 2-1/2 seconds without the boiling water. We cook from the inside out.

Bacon cooks so fast, it sounds like somebody tearing a sheet. The woman of tomorrow will cook her five or seven course dinner while her guests are drinking a cocktail.

Individual farms were all right in the handtool days, but you can't have decent houses on individual farms. Your homes are only fit for rabbit warrens. What use are individual barns for raising cattle? The Rotolactor washes and milks fifty cows in 12-1/2 minutes and measures the milk from each cow.

We have chicken farms with half a million chickens now in operation. The U. S. Government has 500,000 million pounds of tobacco from last year's crop.

It has 17 million bales of cotton. We only consume 6 million bales a year. Our cotton situation is worse than your wheat. You can use it for feed or burn it for fuel; but you can't eat cotton, and it won't burn. Over 4 million will go on relief this year from the cotton belt.

Soil as a medium of plant culture is only 4 percent efficient. Water is 90 percent efficient. We have a process called the Faraday fluid feeding process. You can raise five tons of tomatoes to an acre of soil under favorable conditions. We can raise them in tanks at 217 tons per acre. Potatoes will yield 115 bushels to the acre of average soil. Sometimes you can force about 300 bushels.

The Faraday process raises 3,000 bushels to the acre of surface. We use excelsior, water, chemicals, and light and heat for forcing. It gets underway so fast the bugs kill themselves trying to keep up. You don't dig the harvest; you just roll back the blanket of excelsior and there they are -- all the same size. You don't have to brush and manicure them. If you're worried now, you'd better leave for you have a lot more worrying to do yet.

Wheat is grown on endless belts. The wheat is sown on endless belts, and the harvest is taken off the other. The crop grows from seed to finished stock in ten days flat. One battery of these trays in a wheat factory will grow as much as 17,000 acres of land capable of yielding 170 bushels to the acre.

Technocracy is the world's largest experimenter in this field. We have 200 tanks in operation. Why not? You have no crop here anyway. Even without fluid feeding processes, all the requirements of this continent could be grown on one-fifth the present acreage.

Foods produced in tanks have several times the vitamin content of soil-grown foods. We'd just have to put in about ten of these wheat-growing plants and we'd run all you farmers onto relief.

You see what all this is headed for. In 1919, the manufacturing industries employed 11 million on a 58-hour week. In 1929, the employment had falled to 8.8 million with a work week of 48 to 54 hours. Thus, the total man-hours for the year 1919 were about 29 billion. By 1929, these had dropped to 21 billion. In 1935, that total had decreased to 11 billion. In 1944, it will be one awful job to work 20 hours per week; yet, we will be producing 45 percent more.

Now I suppose you think we're going to promise you some dividends. Don't fool yourselves. Neither we nor anyone else can deliver on that or any other wild promise under a Price System.

In 1929, you took an awful flop into the worst depression in all history so far. Speaking metaphorically, you fell from the 20th story and landed on the sidewalk. The shock you received at the lower extreme of your spine may have been transmitted to the upper and knocked some sense into your heads.

It is really a shame that education can only be accomplished by such a posterior method, but you asked for it; and I suppose you'll have to get it that way. Before very long, you're going to run into another depression. This time you'll fall all the way from the 40th story, and when you hit the pavement, you won't stop there. You'll go right through into the sewer.

This Price System civilization is characterized by various social diseases. In the United States, we have 12 million cases of syphilis at large. Medicine will cure that if we can get around to it; but poverty -- the 60 million cases of bad housing, underclothed, and malnutrition -- is a disease that not all medicine men of the 175,000 political governments of the United States can cure. It requires a much more drastic treatment.

The worst of all social diseases is one called "intellectual liberalism." It occurs among people who are well educated. They usually have the best of all in that line that can be provided, and all they use their erudition for is to decide not to decide.

You must decide.

There are several ways of meeting the situation.

You can have a swift, orderly transition into an era of abundance or you can have chaos. If you continue to do what you are doing now, you will get chaos and get it decidedly messy. You cannot have, either, a communist revolution or a fascist coup d'etat. In Petrograd, they could smash up rail, telegraph, and telephone communications and put barricades across the streets and keep them there for sixty years. Nobody in particular would be affected by it. The population is largely agrarian and self-supporting. But if you tried that in New York City, 9 million people would be at the deadline in just five hours and eighteen minutes.

If the armed forces of the State of New Jersey were to take over the state and operate it, within 72 hours they would have to take over and operate 38 states. Our system here is tenuous and interdependent. If 130 million people in the United States want to abandon the Price System, the balance of the continent would have to follow within a year.

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What would happen if rail transportation were tied up on the western prairies for ten days in a blizzard? It is a long way to wood or coal. You'd have a lot of frozen meat.

Technocracy does not have any "assumption of power" theory. Such a theory is European, philosophical and has no bearing on the situation here. Over there, all a government can do is assume power. When it has it, it's through. No European government can by that or any other means raise the standard of living one iota.

Over here a technological control would raise the present load factor of all industrial equipment from .05 to .90. This would mean an immediate increase in the standard of living by 18 times.

Another way you could meet the situation is by shooting all your technicians and dumping all your plants and equipment into the sea. That would suit us perfectly, for then our troubles would be over; but yours would only begin.

In 30 days you would be eating each other -- and they'll eat the fat men first. We don't develop any feeling of anger against those who would like to shoot us. What we resent is those who make us live this way.

You women have the power to bring about a functional control. You have all heard about what a fine thing it is to give your children to your country in the time of need. When you find that you can no longer take care of your children, just take your year-old babies and give them to your country. If you cannot take care of your children, it is only just and meet that your government should do it for you.

The children would not suffer. Not a single one would die. Within 24 hours, every doctor, dentist, and nurse would be conscripted to care for them. They would be working for their country. They would be all through with the lucrative chisels called private practice.

A load like that would wreck any political government overnight. The transition to a functional control would take place immediately. Your children belong to your country. Then give your children to your king!

IN DRUMHELLER, September 19

Everyone who is cognizant at all or who has any powers of observation is aware that something is basically wrong. Technocracy alone finds itself in a position to explain the situation that exists. People need not develop an inferiority complex because of that, because Technocracy, previous to becoming incorporated as a continental organization in 1933, had functioned since 1919 as a research organization.

The really regrettable thing is the widespread belief that if something is voted into existence, we can find a way out. Alberta is no different from California with its half-dozen movements that came and went. People want security, purchasing power, and a world in which their future and their children's future will be assured.

The equipment is here; the resources are here; the personnel is here; the need is here -- yet here we have more want in the midst of greater abundance than the world has ever seen.

We have voted in one organization after another in the hope that the law of averages would somehow produce the "right man". Our political ideas came to us from Europe and Asia, but they have always been dominated by and motivated by scarcity.

Abundance is something without precedent. The problem becomes entirely technical in nature. Technocracy does not question the sincerity of purpose of any of these movements -- the Utopians of California, the Epic Democrats, the several million Townsendites, the Share-the-Wealth movement, Republicans, Liberals, Conservatives, Communists, C.C.F. or Social Credit; but we have voted them in, one after the other and today we are no further ahead than we were five years ago because of them.

The bull that charges the C.P.R. locomotive has sincerity of purpose no doubt, but when he meets a dynamic converter of energy, there is bull all over the place.

Any group constitutionally elected is by nature pledged to the maintenance of the Price System of values and scarcity. When any group promises security and purchasing power, it does it on a basis of mass deception, whether intentional or otherwise. Their promises are only air because they cannot come through. Long ago, we realized that social change is not brought about by legislation or education.

We Technocrats have done more in the installation of labor-saving equipment than any other group. Devising means of raising more money, profits, dividends for corporate enterprise is enlarging the possibility. The way to teach people not to work is to literally shove them off the job.

The way to bring a Price System to its logical conclusion is to give it enough rope and let it hang itself. We don't want the politician thrown out. We want him to stay there as long as he can run it. Let the politicians run the system right into the ground -- then take the rap for it. Let them run until human intolerance cries, "Stop! This is enough!"

Technocracy is out with the specifications for technological control. It does not care who runs it, provided the specifications are adhered to. We are scared to death we will have to do the job by the way things are going. A mandate must be created by 66-2/3 of the people of this continent to install the control according to specifications.

That will be Technocracy's first election and your last. We will refuse to have anything to do with "power" or "office". By running for political office, we would be pledging ourselves for maintenance of the status quo. Nobody but a louse would do a thing like that.

Technocrats are trained never to interfere. We won't interfere with your politicians; but politicians are such that they can do nothing else except interfere. All politicians are lice. If you insist on operating as a louse, sooner or later you become one. Four years in political office are enough to make anyone a louse.

It all goes back to your chiselry document. Here it is the B.N.A. Act. In the U. S., it is the Constititution. Voting is only an attempt to reduce all the individual differences of opinion to a common concensus, and the .304 percent of intelligence that is in Canada and the United States is thereby reduced to the general level of moronity.

By voting, you have only counted noses. It doesn't matter whether the noses are red, white or blue, the result is the same. All political parties are the same -- they contribute only to the anarchic confusion of the political entities of the Price System. Marx's "Value, Price and Profit" was a Jewish moral philosophy. Fascism is an Italian moral philosophy.

Adam Smith's "Wealth of Nations", the bible of the Price System, was a Scottish moral philosophy. They all deal in price and think in terms of value. Science has no values -- it has systems of mensuration in any field which it invades. Today it is invading the social field for the first time under the name of Technocracy.

Technocracy is in favor of Social Credit. We would like to see Aberhart reelected. Social Credit is sufficient of an innovation to increase on a large scale the social anarchy of Western Canada.

It has been touted on the party presses that if the people of China were 100 percent Communist -- or Social Credit -- the continent would immediately be transformed into a land of abundance. Such people either don't know the facts or they are deranged.

A status of plenty on a par with that of North America could only be attained in China by importing 4 million barrels of oil and 27 million tons of coal per annum, not to mention the astronomical figures of gas. Chinese to the number of 270 million will have to be eaten by the Japanese before the rest will have a chance to live.

So it is with Britain. Great Britain squandered her resources on the harpies of world trade. It got the world trade. Trade followed the flag. Then Japan chased Britain from the seas in the Far East. Now trade is following the flag home. They are mining ore of 27 percent Fe content. To us, that is just rust. They are buying up old bedsteads as scrap iron. If Britain used the same number of automobiles as the United States, they would have to have 9 million cars and an equivalent number of buses and trucks.

Without bothering about the problem of where to run them, where would you park them? They'd have to hang them up with sky hooks! In Britain, an army examination showed 42 percent of the young men to be suffering from malnutrition. They have rest camps where they feed four meals a day to bring the cannon fodder up to size.

A political body may propose, but it is never responsible for the execution of its proposals. Under a Technate, those who propose would be placed under full responsibility for the efficient execution of their proposals. Your government is bound to do nothing but protect you suckers from mythical enemies and protect all the chiselers so that you suckers can be easily and properly trimmed.

Under the Technate, we will be responsible for the health and well-being of every human being. That is more than any political government ever did. We wouldn't double-cross you, but don't ever try to double-cross us.

Our political system was not designed. It is the haphazard increment of growth. In the U. S., we have 5,600 counties and 175,000 political governments. In Canada, you have nine provinces and relatively few governments. You certainly are intelligent in Canada. There are fewer morons in Canada than in United States. That is because there are fewer people in Canada.

The Vancouver Province this year credits Technocracy with having reduced the registered vote by 50 percent. In Vancouver, they have compulsory voting. No political party will ever attempt to run an administration on only 30 percent of the vote. The politician knows that if this keeps up, he will have to get out. If he waits much longer, he will have to use burnt cork so you won't know him when he passes you in a cloud of dust.

Nobody ever got rich by working. Nobody ever acquired social prestige by mining coal or following a plow. Not until he got some sucker to work for him, or he went into politics, or into the mortgage or banking business, was he able to pile up enough debt claims to buy social prestige. We have no aristocracy, no hereditary landed or professional class to stand in our way. Yet we kid ourselves.

There is no class struggle. There are only two groups: the chiselers and the suckers. The sucker doesn't hate the chiseler; he admires and emulates him. It is his secret ambition to graduate into the chiseler class. All your social institutions are institutions of scarcity and your culture stinks. There is not an institution that is not fit for the garbage can.

If you want to maintain your institutions, your chiselers, your orchids of culture, just remember that social orchids grow only in social manure piles. When you abolish them, you abolish your orchids; you only have a race of human beings.

Do you want to bring yourselves to the level of those 42 percent of Britishers? Just keep on doing what you are doing.

A Price System is any system of commodity valuation based on any one commodity as a standard. That commodity may be gold, silver, salt, humming birds' eyebrows, or anything. To keep up price, you must maintain scarcity. Where there is abundance, there is neither price nor values.

There is one thing that is absolutely essential to every one of you. You couldn't live five minutes without it; yet you do not value it -- it has no price. It has never been cornered or monopolized; no mortgages have ever been issued against it; it has never been the subject of dispute in a court of law; no government ever voted on it or passed legislation about it -- and that thing is AIR.

You never hated the man with bigger lung capacity than you because he took more air than you did. No chiseler ever got any money out of it. All anybody ever got from air was health.

Your method of Price System control is antiquated and obsolete. Your system is based on the capitalization of waste. You burn up enough straw on these western prairies to make the automobile bodies of the world. They make better bodies than steel and look like glass. Could you make them under this system? No. The material would never rust and that would not do.

The cars are like a teardrop, with no outside projections, everything flush, streamlined aerodynamically. Steering wheel turns through 180 degrees. Turn them on a dime or drive sidewise. Can't be skidded or turned over. The only way you can turn it over is by driving it up to the edge of something and running it over.

The car is driven by a six-cylinder opposed piston type diesel, 2,000 r.p.m. Four-wheel drive, six foot four inches wide, inside measurement, with a maximum speed of 116 m.p.h., so far. Has an estimated life of 350,000 miles. But you won't get it under a Price System. Your requirements would all be filled in four years; then there would be plant shutdown for the next 55 years.

Stage after stage, the same thing is true. The Bell Telephone Company is holding 3,400 inventions out of use.

In another year, most of the people of Saskatchewan will move into Alberta if you have the same desertization again. Do you think your British North American Act will place you in a position to withstand that? In two years, you will have 40 million more unemployed in the United States. Do you think the constitution is going to withstand that? No, you are going to throw them in the garbage can and say, "Boy, yo' was a good ole organ but yo' done played yo' last tune."

IN CALGARY, September 20

I'm glad to see you Calgarians have a sense of humor. After what I told you last time, I didn't think you were going to like me. Well, hang on to that humor. You are going to need it all.

The first major battle of the Price System in Canada was fought on the Plains of Abraham. It looks as if the next one will be fought out west on the Prairies of Aberhart; but after the battle, what are you going to have? Just what you have now -- only more of it!

Your bonanza farming has made Saskatchewan a desert. I told you, God doesn't like it. You thought Bill (Aberhart) was on the "in" with God; but God's on our side, not on Bill's. In Napoleon's day, God was on the side of the heavy artillery. Today He's on the side of the march of power. If you haven't seen that yet, you'd better get right with God.

What a lot of fiction is perpetrated in the name of belief. Here you believe in the British North American Act. Legally, there is no Province of Alberta or Saskatchewan. Have you ever seen a copy of the B.N.A. Act? Your judiciary organization across the sea that corresponds to our "Senility house" hasn't got a copy of it either.

It isn't law. It didn't pass the third reading. Our nine prostatic old gentlemen of the Supreme Court at least live on this continent. And you want to solve your problems by amendments to an act that isn't here, by people who aren't here and who aren't sure that such an act even exists.

Don't you know that an amendment to a contract abrogates the contract? When certain sovereign powers called provinces and states agree to perpetuate the channelization of the resources and wealth of this continent, they are really usurping God's prerogative. No wonder God is getting sore.

In the United States, we have confederate government -- emphasis on the "con." It is the world's biggest "con" game. The finest chiseling racket that has ever been devised for the perpetuation of the fleecing of a race of suckers. It provides that chiseling shall be conducted only in the constitutional manner. The same applies to your B.N.A. Act.

Whose country is this anyway? You don't own it and you don't run it. In this province, you have portfolios. You elect men to those portfolios who resign or are fired from their positions; then you consolidate your portfolios.

You believe in gold. You break your necks trying to exchange the resources of this country with other countries for gold or paper. Gold is the world's most useless metal. If an inhabitant of another planet came to this country and saw you digging for gold, he would ask you what you use it for. "We dig it up and take it east," you would reply. "Why do you take it east?" "We take it east and bury it again. That's what we use it for." Wouldn't he think you were crazy? He'd ask for a one-way ticket back to his own planet.

One of the lowest social diseases is the belief in the morality of work. If you want to know what work has done for you, go home and look in the mirror and see what a mess you are.

Carry an electric iron across Europe and see how many sockets the plug will fit. There they believe in rugged individualism. All our political philosophies from laissez-fare to communism are imported from Europe. Most of the European philosophies brought over here from Europe and transplanted have died. The rest have turned into pigweed. So we have politicians. They say there were no rats in this country until they came over on the boats.

Political government in all history has been superimposed upon the actual physical operations of mining, farming, production, distribution. Stalin doesn't occupy any official position in the Russian government; so there you have a Russian tyranny superimposed upon the Russian government -- a parasite upon a parasite -- a double racket.

No government in all history has ever assumed responsibility for the livelihood of individual citizens. It never has -- and never would -- because it daren't.

Technocracy demonstrates that you need a new form of control, endemic to social operations. The constitutions were sufficient for the cracker-barrel democracy of the country store, but they are incompetent and incapable of operating the present technology of the continent. They have simply outlived their usefulness, that's all. You need a different method of control as your scale of quantities change.

When we moved out of the hand-tool age, it didn't matter what decisions we made; but now we have to have a method of control that conforms to the needs of this civilization. Those who create a civilization must ultimately control it. It must be administered by the same methods that created it. In the last analysis, the governments of this continent are those who operate it.

There are several thousand ways of controlling the water running out of a spring -- a bundle of rags or anything. Step the water up to the size of a city supply running through the mains at 5,000 pounds pressure to the square inch and you need a motor-operated gate valve. But power is now being developed from a waterfall so high that a wineglass of water falling from the top develops one horsepower. If you attempted to control that by a gate valve, the force of water would whip the penstock across the mountainside like a piece of macaroni across a plate.

Same water each time. It is the magnitude of the force that varies. A hundred and fifty years ago, 98 percent of energy consumed was human energy. It is the same in China today. Today in North America, only 2 percent of energy consumed is human energy; the rest is the energy of coal, oil, gas and hydroelectric power. Our present consumption is 156,000 kilogram calories per capita per day, as against China's 4,000 kilogram calories.

In Canada you started this year with 960,000 registered relief recipients. This winter you will have several hundred thousand more. What you believe does not matter.

If a man goes out of a 20th story window and hits the pavement, it doesn't matter whether he wanted to go out, whether he just fell out, whether he wanted to commit suicide, or got thrown out, whether he believed he could fly or could never die. The result is always the smae when you come under the law of gravitation or any other natural law.

In the past fifty years, your system has undergone a series of changes, oscillations, which have been coming closer together and increasingly violent. It is similar to the voltage in the arcing grounds of a high-tension transmission line. The oscillations increase with time in frequency and amplitude between zero and infinity but never reaching the latter. The equipment breaks down first. The mathematics of this situation are the same.

If some Communist tells you that a certain pants presser, or something like that, is going to run all the power plants in the country, you know he needs his head opened. A good pants presser is a good pants presser, but he doesn't know a thing about powerhouses.

You could collectivize all your equipment and all your land but that wouldn't change the thermodynamic laws, the rate of conversion, load factors, or any of the physical fundamentals a particle.

Members of the defense forces of Canada and the United States are welcome as members of Technocracy. They are welcome even if only on a visit of investigation of our aims and methods. Technocracy guarantees to keep any police investigator busy for the duration of his visit and return him to his superiors a better and more proficient officer.

The abolition of rent, interest and profit is only a legal fiction. On the other hand, when you talk about nationalization of banks and debt moratoriums, you're only stalling. Anyone who promises the people of this continent abundance, security, leisure, health, wealth, happiness, and the Price System all at once is a liar. Here your government forms a partnership with God, and you expect the corporation to pay dividends. They won't be paid this side of heaven. You'll have to die to collect them.

Technocracy doesn't ask you to die for it; it asks you to live for it.

The only difference between Liberals and Conservatives on the one hand, and Communists and Fascists on the other, is that some of the standpatters are washed better. Frankly, we prefer too little soap to too much.

You have an irrigation and rehabilitation scheme at Moose Jaw. It is a scheme for the construction of 12,500 homes, the clearing of governmental responsibility for 12,500 families, the creation of 12,500 farm loans, 12,500 mortgages, 12,500 suckers.

You businessmen call yourselves Christians. You like to believe it, because for two hours on the seventh day of the week you make certain professions. You go home with a holy feeling, reinforced by the knowledge that you have a few mortgages or bonds, a few debt claims in the old tin box; but just go out on the streets of Calgary and see the sad state you're in. You can't tell a Christian from a liberal.

Go down to the relief kitchens, then ask yourselves if you could tolerate seeing Jesus Christ on that relief line. Then you're getting somewhere. The reason you want these people to go up to the Peace River is that when they go up there and get stuck in the mud, the rest of Canada won't be able to hear them.

Your governments are not on the level and you know it. No government that would do a thing like that is entitled to the respect or even the toleration of any one of you.

You think you'll hold on to those debt claims in the hope that we're wrong. Mister, get rid of them quick. If you don't, they'll slap you down. With 40 million on relief on this continent, they'll go over you with a fine-tooth comb.

Relief is the only growing enterprise on this continent. That is because it is the only one that pays its customers to loaf. It won't be safe not to be on relief. All of you will either be on relief or employed by the government.

Do you have to wade into it right up to your necks before you will say it?

Does any businessman believe that prosperity is really here and headed for the infinite blue? There are a few who are collecting a little more profits and dividends, of course. That's fine. Go ahead and trim them. We don't blame you; we blame the suckers.

These businessmen, these small-time pikers, don't think they'll ever be on relief. What the dumb clucks don't know is that they are on relief right now.

If the Dominion Government stopped creating debt, corporate enterprise would collapse like a house of cards. They have to keep it up. If they did stop, taxes would rise so fast the businessman would be better off on relief.

Now all you smart, sensible businessmen who are sitting on the lid, don't you know that it's dangerous sitting on a safety valve?

Technocrats need not worry about opposition or interference from business. The way will be cleared of politicians and businessmen.

I want to tell you now that your educated man in Canada or the United States is yellow. He is shirking his duty. You have all that your country, your civilization can given you. You know that with your superior education, your knowledge, you should be out in front leading the people; but the first thing you try to do is get into a political party and ride into office or get into some other lucrative chisel. Just keep up your chiselling rackets if you like. The march of events will catch up with you, and it won't be nice -- it won't be pretty. If you want to go on believing that you can solve functional problems, continental problems, by the inflation of your own ego, take the consequences.

Don't get the idea that Technocracy is going to do the job. You are going to do it. Here's the greatest thing that ever offered itself in all history. Don't think you are going to sit back and say, "All right, we'll take it. You do it."

You ask if Technocracy will mean regimentation. Did you ever ask what you have now? You get up when the whistle blows, you knock off when the whistle blows -- and there are a whole lot more things you do when the whistle blows. You are so regimented, you can't do anything unless the whistle blows.

Technocracy is not a political organization. We were not born of the depression or any political psychosis. We became organized on a continental basis in 1933. Prior to that time, we had been a research organization since 1919.

Technocracy is building a technological army of the functionally competent. Your educated man is not competent. He has only been taught to chisel. Until he becomes a Technocrat, he can't function -- he doesn't know how.

Large meetings of Technocracy are not conducted to explain in an hour-and-a-half the details of a construction it will take you at least an hour-and-a-half to understand. Technocracy is stronger than all the veterans organizations or any possible Fascist army. Don't get a burr under your tail and try to join this organization at the last minute. To tell you the truth, you won't be any use. Just now we are bucked on the one side by the Chase National Bank and on the other by the Communists. All we need now is Mr. William Randolph Hearst to buck us, and we'd kiss him.

Technocracy would rather be recommended by its enemies than damned by its friends.

If you cannot make up your minds, we cannot make it up for you. Only God can do that in the march of events.

Salute and Happy Landings.

A RADIO ADDRESS
by
Howard Scott

STATION KOMO, SEATTLE, WASHINGTON
November 2, 1937

Technocracy salutes the radio audience of KOMO!

Technocracy presents to the radio audience of KOMO some of the national highlights of the dilemma of the continent.

The United States and the North American Continent are involved in the greatest dilemma of history. The dilemma, stated simply, is the attempt of political government and the Price System of production to raise prices, to raise wages, to guarantee increased dividends, to insure the value of all outstanding private and public debt, to subsidize the capital goods industry, to stimulate all business, big and little, to provide work for the worker and markets for the farmer -- all by unbalancing the national budget and by further inflation of national credit.

Each time the government inflates the national credit and unbalances the national budget, it creates more federal debt and more taxation. The capital goods industry installs faster and better machinery with each injection of governmental salvation and each increase in national credit inflation. Only our larger corporations are enabled to install better machinery to lower their operating costs and to reduce their payrolls, thereby liquidating the smaller units. It is obvious in the United States that the New Deal process of the salvation of the Price System is, in plain language, for the majority of Americans, what may be summed up as the underwriting of the higher income groups and the larger corporations by the federal government simultaneously with the maintenance of a federal distribution of subsistence to the 40 million underprivileged Americans at the bottom, resulting in the liquidation of the great middle.

The results of this national policy are a long way from the abundant life that was held forth to the citizens of this "land of the free and the home of the brave." The present policy of the Democratic administration of these United States is resulting in the reclamation of poverty on a national scale.

Our political government in Washington is turning out a greater flood of propaganda than any previous administration. This propaganda is centered around the theme song of being all things to all people and nothing to anyone, except the prospective party vote. It busies itself with proclaiming the need for a more abundant life for our fellow citizens. This propaganda announces that 30 to 40 million citizens of these United States of America have practically no purchasing power and that the government in Washington intends to do something about having the purchasing power of these millions increased. How little or how much is never stated. Never expect any political statement to be quantitatively accurate in its definition!

Technocracy asks the question: Is it possible for any political administration of the Price System on the North American Continent to produce and distribute abundance to its citizens? The answer is only too obvious when one realizes that for each inflation of the national credit, more technological equipment will be installed, and, in turn, more energy converted nationally from coal, oil, gas, and hydroelectric power; which means in simple terms that each time technology takes a step forward, toil takes a step backward, with the result that human beings in the United States will work less and less to produce more and more. How can the values of this Price System and its structure of debt be maintained when the overwhelming percentage of national purchasing power, namely, the purchasing power of wages and salaries, faces a declining future of less and less man-hours for more and more production?

RADIO ADDRESS BY
HOWARD SCOTT, KOMO SEATTLE 11/2/37

The political governments of North America are preaching the morality of work of the oxcart era in the midst of this Power Age of today. The "morality of work" is evident in every WPA program and in every governmental stimulation of business. In their preachments of this morality of work, the political governments of this continent acknowledge their incompetence and inability to deal with the technological problem of the American Age of Power. Their doctrine is but a thinly disguised national charity and a temporary insurance against social revolution.

The morality of work in the Power Age of America is but the persuasive palliative of the chiseler's sucker bait to the 40 million underprivileged Americans. It is at the same time a national soothing syrup to the American businessman; but the morality of work is not working out so well, for each time that the political administrations in Washington and Ottawa save business with a fresh inflation of national credits and more government debts, the larger corporations avail themselves of greater funds of cheaper money for the installation of more productive technological equipment of lower operating costs.

The morality of work is therefore, in the year 1937 of our Lord in these United States, a national hyprocrisy, for it is contained in every preachment of our government, our press, our radio, and our screen, that the citizens of the United States should make their livelihood by honorable toil, when our government on a national scale is financing and assisting the corporations to finance the elimination of toil.

Which policy of our political government are the people of the United States to believe?

The policy of honorable toil and of a job for every American citizen as preached to the public or the opposite policy -- the elimination of toil and jobs for our citizens by the further installation of technological equipment for the production of more goods and services with less wage cost per unit produced, as practiced by our federal government and our larger corporations?

The technological application of physical science to the means whereby people live has set the date for this continent's rendezvous with destiny. This country and this continent cannot avoid this rendezvous with destiny. This country and this continent will meet this rendezvous within the next five years.

It is imperative that on our national and continental way to this rendezvous the people of this country and this continent recognize quite clearly that the social conflict of this continental area is the conflict between the 7,000-year-old method of producing physical wealth with a maximum of human effort and the recent technological production of physical wealth with a minimum of human effort.

Any national economy depending chiefly on human effort for the production of its physical wealth dooms the majority of its people to starvation and the arduous toil of scarcity. Any national economy producing the major portion of its physical wealth by human effort is compelled to justify its social futility by preaching the morality of work. Scarcity and human toil are the twin social resultants of any civilization depending upon human effort for the production of its physical wealth.

The low energy civilizations of the rest of the world are therefore compelled to propagandize their citizens to make them clamor for the right of every individual to wear overalls; in fact, it might be said that overalls should be the national uniform of all low energy civilizations. But here in this country and continent, the morality of work and the right to wear overalls ought to be relegated to the Smithsonian Institution along with all the other anachronisms of the hand tool age.

RADIO ADDRESS BY HOWARD
SCOTT, KOMO SEATTLE 11/2/37

Technocracy contends that the conduct of human affairs in the United States of America must, in the light of modern technology, be redesigned and reorganized so as to conform to the precision technique of operating our national technological equipment. Technocracy contends that only by a further application of technology in our means of production and distribution can abundance and security be rendered available to all. It must be realized that abundance cannot be produced by a maximum of human effort, that abundance can be produced and distributed only by a minimum of human effort.

Technocracy flatly states that abundance and security cannot be produced and distributed nationally and continentally under any political administration and under a Price System. Technocracy contends that only under a technological administration can the rate of production be increased sufficiently to produce and distribute abundance, security, and the higher standard of living to all.

The social well-being of abundance cannot be intitiated by national preaching of the morality of work and the forcing of our citizenry to wear the badge of toil, the overalls. Only through the installation of more and better machinery under the direction of technological planning, operated under technological control, can a high standard of living be provided for the citizens of this country and this continent.

Technocracy contends that advancing technology will ultimately compel the consolidation of the North American Continent from Panama to the North Pole, and Hawaii to Bermuda, into one self-contained economic organism for the distribution of abundance to all -- a blue-printed New America of Plenty -- this continent's rendezvous with destiny!

This continent's rendezvous with destiny will permit of no direction from Rome, Berlin, London, Moscow, or Tokyo. For the technological problems of America's Power Age are solvable only by the American solution of more technology and less human toil. Communism is too bourgeois and fascism too antique for the Continent of North America. Democracy in this continent's Age of Power is but the national debris of our national chiselers. So let us Americans of this continent face the physical fact that we must organize nationally and continentally, not for the right to work and the right to wear overalls but to take the overalls off the human being and to place them on the machine where they belong. Let us organize to put the machinery of this country and this continent into overalls for the benefit of the human being and for the production of social well-being to all.

Technocracy salutes the audience of radio station KOMO and wishes them a happy landing in the New America.

A RADIO ADDRESS
by
Howard Scott

STATION WGAR, CLEVELAND, OHIO
April 17, 1938

Technocracy salutes the radio audience of WGAR!

Technocracy presents to the radio audience of WGAR the dilemma of this country and this continent.

The United States and the continent are endowed with natural resources sufficient to meet the raw material needs of our citizens for centuries to come. The United States and Canada possess more installed horsepower and more machinery than all the rest of the world. The United States and Canada have more trained men and women capable of efficient operation of the technological equipment for the production and distribution of the social needs of their people than any like area on earth.

Restated simply, this country has the men, the materials, and the machines. It has the brains to devise greater technology for greater social needs; and yet the United States and Canada today, while possessing all the necessary elements for social well-being, are stymied by our antiquated political and economic structures.

The social institutions that sufficed in the United States in the days of the ox cart and the horse and buggy are today simply junk, blocking the road to American progress.

The recession has deepened into a depression. Our government admits that 18 million Americans are on the various relief rolls of the country. It admits further that the United States Employment Service has over 6 million applications for employment in its files; and at the same time it is generally admitted that unemployment is approaching the precarious total of 14 millions. Technocracy asks, "Where is the prosperity of yesteryear, and what has happened to our promised 'abundant life'?"; and in answer to these questions comes the magnanimous declaration of our federal government that it is going to spend its way out of this depression with the slight sum of $4,512,000,000 -- merely a sweetening of the national jackpot!

The federal administration in Washington and the Dominion administration in Ottawa both proclaim that the national policies which they have formulated are the best and only possible methods of procuring national well-being under the existing conditions. The national governments of both the United States and Canada promise many things. They promise higher prices for the farmer, more business for the businessman, higher wages for the worker, better banking for the banker, and a higher national income for everyone. Their promises are so many that they are all things to all people and nothing to anyone.

Technocracy states frankly that in view of the technological factors of this country today, such a policy on the part of our national administration is the rankest hypocrisy that could possibly be perpetrated upon a sorely suffering people. Technocracy points out that national business supports our national administration in this great hypocrisy; that both are guilty of collusion and misrepresentation of the facts of our national operations. Such hypocrisy in these times is as deadly and dangerous -- and even despicable -- as that of distributing chocolate-covered arsenic to high school students.

BUSINESS AND GOVERNMENT FUTILITY

National business and national government contend that they both, singly or together, can rectify the national dilemma facing this country and this continent today. National business

contends that it can solve the dilemma of unemployment, insufficient purchasing power, and want in the midst of plenty, if it is permitted to indulge in more business with less government interference. National government contends that it could obtain the solution if it were permitted to have more government and more business.

These claims on the part of both government and business are the rankest of barefaced assertions. Neither government nor business, regardless of what they do, can possibly rectify the critical situation in which the United States finds itself today, for the United States and Canada are engaged in the greatest social conflict in human history, and a conflict which, at this time, does not exist anywhere else. It is the conflict between two systems of producing physical wealth. For 7,000 years of social history, man has produced his physical wealth by human toil, and now in the country and on this continent, the technological process of producing physical wealth is shoving the old process onto the scrap heap. Business and government are shrieking loudly for North Americans to obtain a higher standard of living. We must increase our national production of physical wealth, we are told.

This statement sounds fine to the uninformed public, but the facts of the case are these: the technological production of physical wealth in the United States requires an ever-smaller total of man-hours per year to produce an even-greater volume of physical goods and services. When greater physical wealth is produced, America will produce it; but the more physical wealth America produces, the less human effort we will consume in its production.

These facts are obvious to any student of our national situation; and yet our national leaders have the barefaced effrontery to claim that more wages and salaries will be distributed when America produces more physical wealth.

From now on, the United States and Canada will produce more and more with less and less human effort. Any why not? Toil is the morality of slaves. Gears never tire, machines never sit down, and technological machinery will do the work of America's tomorrow.

LESS PURCHASING POWER, MORE RELIEF

In the face of this, Technocracy states that it is physically impossible to pay out sufficient purchasing power in salaries and wages to the American public to buy back the increasing productivity of our national machinery; and if an ever-smaller number of Americans are going to work fewer hours per year, can you possibly conceive how either government or business can raise the purchasing power of our citizens to where relief and unemployment will be totally eliminated?

Technocracy wishes to make clear that the national problems of the United States and Canada are technological problems, and that they therefore cannot be solved by any process of political democracy or chicanery of financial economics.

As relief lines lengthen, foreclosures increase, and retail sales fall, business begins to scream at Washington for its own salvation. Business and government are sick; they are sick from obsolescence and antiquity of 7,000 years of scarcity; but their cure will cost more than their demise, for in this conflict there can be no compromise. Either the people of this country and continent must destroy their technological equipment and expurgate their science and return to the human toil of hand tools, with its accompanying shibboleths of democracy, or they must face the stark realization that there is more and greater technology to come than America has ever known; and Technocracy asks again, "Why not?"

Why should this country and this continent be condemned by the political machinations of democracy and the ineptitude of national business to the national anarchy of more relief, more unemployment, and more crime? If national business and our political government cannot solve the dilemma of America, then it is high time that they step aside and make way for that which can.

RADIO ADDRESS BY
HOWARD SCOTT, WGAR CLEVELAND

4-17-38

A NEW LEADERSHIP COMING

As the millions of Americans who have been liquidated by the oscillations of the Price System are increased by more millions in the greater oscillations that will occur in the near future, there will arise a mass demand, Continent-wide, for a new leadership capable of directing America to her rendezvous with destiny. National business is going to insist on its pound of flesh and Technocracy predicts that America will be compelled to liquidate national business once and for all. National politics is going to insist on the privilege of continuing its national bungling, and it will join national business in the coming liquidation. It is high time that the citizens of the United States and Canada realize that politics and business stand in the road, blocking the pathway to North America's future.

This country and this continent have the men, the machines, and the materials to provide every American with the decency of the highest standard of living in the world, from birth to death, with the minimum of human effort and the maximum of leisure. It is high time that we Americans enroll in the Technological Army which will make America safe for Americans!

America has no war off this continent. Americans have nothing to gain and everything to lose by participating in any warfare abroad. America has only one war: a war to be fought here and now, on this continent, alone. It is the war of plenty versus poverty, of leisure versus toil, of abundance versus scarcity. It is a cause not to die for but one to live for. Technocracy contends that it is high time we enlisted in this greatest of all wars, for this war will have to be fought and won within the next five years if civilization on this continent is going to avert the chaos of national anarchy. Enlist now, before you are conscripted by the march of events.

-- Originally Published in 8141 MAGAZINE, July, 1938

PUBLIC ADDRESS
by
Howard Scott

WINNIPEG AUDITORIUM
October 25, 1938

With your kind assistance, I would like to conduct a little census of this audience. How many people in this audience are economically and monetarily better off than a year ago? Will you kindly put up your hands? I see about half a dozen or more in this entire audience. Well, how many in this audience this evening are absolutely satisfied with the existing economic structure, the existing political structure, and feel that it requires no modification and no redesign whatsoever? No answer to that one at all.

Don't think it is strange, because what we have seen here happens in every audience from coast to coast and from Peace River to the Rio Grande. We are all in the same economic muddle, and it is a wonder it isn't a great deal worse; because the press of the U. S. and Canada, the radio, screen, and pulpit are indulging in the greatest run of misrepresentation ever foisted on the people of this continent. They play up every item of foreign news, capitalize every murder and scandal. If some foreigner stubs his toe on a doormat, he gets headlines; yet the most important events in history are not dug up at all. Why not?

The people of this continent are the most intelligent, capable, and highly trained of any people in the world individually. They have more knowledge of facts, and they could take more facts and data; but our press, radio, and screen are withholding the facts of our physical situation and are doing it deliberately. You know; I don't have to drive it home to you. You will read what some politician says about nothing -- half a page. If a banker has a sore toe and decides to comment on foreign affairs, they print it. I don't know why. A banker today is *non compos mentis* anyhow.

After nine years of the greatest debacle this continent has ever known, the situation of the U. S. and Canada today is more dangerous than ever, because we are feeding the public the pap that it is going to be all right if we can only pump in enough bug juice. MacKenzie King plays the same kind of tit-for-tat as F. D. Roosevelt does in Washington. The only difference is that one is in Washington and the other is in Ottawa. That may be a distinction but is certainly no difference.

The National Association of Manufacturers and the U. S. Chamber of Commerce are telling the nonsense that government and business and labor ought to cooperate so as to kid the sucker public along a little longer. They ask you to vote. In the U. S., it is on whether to keep the old bunch of racketeers or put in another bunch; of course, up here in Canada, you have your rackets a little more tightly cornered. You have the Senate of 96 appointed for life. The only way you remove them is when they die. They get $8,000 a term, and 43 of the Canadian Senators hold directorships representing $8,500,000,000 of Canadian investments, or over 53 percent of the total investments in Canada. The Canadian Senate is in a very interesting position. In the U. S., they are only penny ante chiselers -- in Canada, they are tops; of course, you haven't any Supreme Court in Canada in the same sense as in the U. S. The Supreme Court of the U. S. is the national referee of chiseling. You get appointed there when you demonstrate your ability to referee in chiseling. You arrive at such an appointment when you have reached a certain stage of mental prostatitis. Here it is quite different.

Canada is larger in area than the U. S.; in fact, the unoccupied portion of Canada -- 3,400,000 square miles -- is greater than that of the U. S. Your population -- most of it -- is within 100 miles of the boundary; 90 percent is within 200 miles. The great Canadian Shield, from Labrador across and splitting the lakes on the way north, will never be inhabited, except for pulpwood, mining, and power. We know that; yet you are kidded that there are great open spaces that the escrow Indians can palm off. The escrow Indians are the greatest tribe of North America. Their home habitat is southern California. Generally they are known as real estate agents.

In the U. S., the people consume 96 percent internally of what is produced, exporting 4 percent. In Canada, export runs up high in a lot of fields. If Canada were to consume its products, you would be floating in physical wealth; but you export it so as to give to the chiseler and keep the Canadian close to relief. You have another export. From 1901 to 1931, Canada admitted 5,200,000 immigrants; and in the same years, it exported 4,200,000 Canadians. That is a hell of an indictment, ladies and gentlemen. They didn't want to go; they had to go. Only 96 Canadians can be Senators.

We are up against a situation in this country and this continent that has no parallel in history. It is not analogous to the situation in Great Britain, France, Italy, Russia or Japan. It is unique in social history. There is no precedent for it. There are physical factors that do not exist elsewhere. Try to realize the vast difference.

What is the difference? The difference is that in all other human societies they produced the physical wealth of their time through human toil, and the only way physical wealth could be increased was by working longer hours or increasing the population. Here in U. S. and Canada, we have a different proposition. It has come in the last 40 years. Over in Europe, they are still glorifying the morality of toil. Hitler has them marching around with shovels. What a country! That is all right for a European. He hasn't anything else to look forward to. Here, the only place you have a shovel is on the WPA. We give them to workers to lean on. Canada is no different. Your politicians and businessmen are the same. They haven't the guts to give the relief workers engineering equipment and direction, because they would rebuild Canada. They are still fooling with the Trans-Canada Highway. We didn't do that with shovels. You can keep people busy with shovels, but you can't get the job done. You can't build a modern highway with shovels.

We are up against an entirely different proposition. Looking back a few years -- a century ago in U. S. -- 94 to 96 percent of the population were deriving their livelihood from the soil directly. They made a living with hand tools: a spade, hoe, axe, and covered wagon. Today it is all changed. Seventy-six percent of the population of the U. S. no longer derive their livelihood from the soil. Of the remaining 34 percent, 64 percent only produce 35 percent of agricultural wealth; the remaining 36 percent of the agricultural population produce 65 percent of agricultural production and earn $2,278 per year. Ninety-seven percent of the population is dependent on the productive and distributive equipment and not on direct application to the soil. Germany and Italy are still preponderantly agrarian. They are not industrialized. Travel across Italy and Germany with a flat iron and try to plug it in. You can't unless you have a dozen fixtures. They are still delivering milk in Italy inside the cow. Here it is quite different.

In Great Britain, they are mining coal at the rate of .8 of a ton per man per day. That is also the rate in the Ruhr and Saar. The average in the U. S. is 5 tons per man per day -- 25 tons bituminous coal per man per day.

There is $380,000,000 of coal mining machinery on order. When mechanization is completed, 4/5 of the United Mine Workers -- and John L. Lewis -- will be on relief. Why not? There never was any sense in working anyway. All you have to do is look at yourself in a glass. Work has been noble. Look at yourself and see what the hell it did to you. Nothing to be proud of as I look over any audience.

Why? Because on this continent we know today we are not worshipping the morality of work. We are a smart people. We dumped that over with the Model-T Ford and the outdoor privy -- they are gone. The concept is overboard. We are not up against the same ideologies and concepts and purpose as in Europe and Asia. We do not take 190 years to build a cathedral. We build a better building in six months.

Something has happened. It hasn't happened in Europe and Asia. There is the only place it could happen. That is what is baffling our businessmen and politicians, bankers and labor unions. Where there are technological processes for production of physical wealth, as and when we produce more, we produce it with less human beings working less. Yet our trade association has the idiocy to proclaim that the way to produce more is to work more. The way to produce more is to put in more machinery and put more people at leisure. Why not?

Last year in the chief cotton-producing counties in Texas and Oklahoma, the number of tractors rose about 45 percent and mules declined correspondingly. Rural population declined 17 percent -- tenant farms wiped out. Population declined 17 percent in 1937. Where did they go? On relief or north looking for a job. They tell me that the Province of Manitoba has bought more tractors than in any year in history. You are going to get it, too. There never was any sense in following the plow, competing with horses.

We are peculiar. You never heard of a mule working overtime or dying from overeating or overwork. It is only the human jackass that does those things. Yet we are being told by political governments that all you have to do is be tolerant until Bennett gets enough shots into the national arm.

Where is all this leading to? What kind of situation is it? Let's have some comparisons. In Germany, they had monetary inflation. That is quite different from credit inflation. Inflation in Germany was introduced to abolish the external debt and reduce the internal debt. It accomplished that in the main. It could have gone on to 40 zeros, and it would not have altered the internal operating mechanics a bit.

Now in Canada and U. S., the credit inflation is rather interesting. Credit inflation here and in the U. S. is for the prime purpose not of abolishing debt but of increasing total debt, so our governments can borrow more. The credit of a private corporation is limited; but the more a government borrows, the more it has to borrow before it sinks. The credit inflation process on this side of the water is only available to the large corporate bodies. The results are peculiar. Each inflation pushed out obsolete equipment and put in equipment that increased the production and decreased payroll, purchasing power, and the time of capital payoff; so that payoff which used to run 40 years takes only a few months with equipment. The Corrigan Plant -- 2,300 feet in length, with 2,200 feet a minute speed -- if operated at capacity pays off in thirty months.

What effect has this process? Six years ago, Technocracy warned this continent that credit inflation would be indulged in and further credit inflation would lead to liquidity of financial institutions and interest rate would approach zero. Well, the liquidity is increasing and the rate of interest is going toward zero. Of course, here you have the Bank of Canada. You don't have the diversity here. Your government is in banking here, and the U. S. will shortly have to take over the banks. You can shed a tear for the banker. He was a smart boy 20 years ago, but he is just another sucker today. The more he has of money, the worse off he is. The Continental Illinois Bank of Chicago has $1,200,000,000 in deposits. Morgan & Co. has $410,000,000 in deposits -- $403,000,000 in cash and governments. It is getting so a poor banker has noplace to invest except those poor-paying governments.

Here we are, loaded up with more money than the world has ever known. The U. S. has $200 billion available for immediate use. Are we going to use it to help the people? No. Exactly as you are doing here. You grew too much wheat here, so the government pays 80 cents Fort William and markets at 61 cents and will subsidize it as an export game. In the U. S., it is difficult because they have more production. They are loaded with cotton to the eyes -- 26 million bales of cotton -- wheat, corn, tobacco, canned goods, and butter. Butter in the U. S. was 212 million pounds in storage as of October first. Cheese was close to the all-time high. We packed 25 million cases of peas, with 5 million carry-over from last year. Well, you are in the same condition up here. What are you going to do?

Listen to the proposals of Secretary Wallace -- his proposition on export of farm produce. Abroad they haven't the money to buy our surpluses; so, Wallace will give them money to buy it, when there are 13 million families in U. S. that cannot buy what they need. We haven't got guts enough to consume our own surpluses.

You are going to be ballyhooed in 1939 by a great war scare. What is the scare for? To stimulate capital goods industries in U. S. and Canada. U. S. will call for 30,000 anti-aircraft units and 120,000 mobile anti-aircraft guns -- all built up to save what? To make the country safe? Hell, no. You spend the money to keep this cockeyed system alive. You went out to defend something a little while ago and left quite a few Canadians in the fields of Flanders. The U. S. thought it was going out to make the world safe for democracy. Democracy doesn't smell any better than communism or fascism. Why distinguish between stinks in a power age?

Our process of producing physical wealth is totally different: more people on relief; larger bank deposits; more machinery and trained men and women than all the rest of the world; more brains and ability than all the rest of the world -- individually. Collectively, we are the most backward collection of homo sapiens. We are not using our collective brains -- we are sitting on them. It seems we have to be kicked in our brains before we get action.

Do any of you expect the Conservative Party in Canada or the Republican Party in the U. S. are going to do anything for you, or the C.C.F. or Social Credit, or $30 every Thursday? There is more sense in the last than in the other rackets; at least, it will ruin the other rackets. You can laugh at $30 every Thursday. It is sheer nonsense, of course; but behind that there are millions who are driven to grasp at straws. They will grasp at anything if they think they can get it. Thirteen million families are receiving the same total annual income as 280,000 families. God's country! It might have been once, but it has gone to hell now.

What are you going to do? Install Liberals, Democrats, Republicans, Conservatives, C.C.F., Social Credit, Communists, Fascists? They are all the same. To the Technocrat, the Republican and Conservative smell just as bad as the Communist and Liberal; and Democrats stink just like Fascists. They are all after a political job to maintain the status quo. One proposes a little more democracy than the other. Democracies are going to make a fine mess of it. They have to go on saving business to save themselves; but the more the inflation, the more equipment is modernized, and the greater the equipment, the lower our purchasing power. Let us put it this way:

If the U. S. pumps in enough credit inflation to increase the physical production of the U. S. 12 percent greater than in 1929, it will be followed by an immediate downward oscillation in which 40 million citizens will be on relief. It doesn't make any difference where you are in North America -- when 40 millions are on relief, you can kiss your institutions goodbye. It is hard. We have to be uncivil. We are not out to flatter you. You would know we were crooked if we told you that.

We can't do it by a political party. A political party is out to maintain the status quo. A labor union exists only as long as corporate enterprise. It is a horizontal alignment that can't achieve anything continental. Bankers are in the same boat. Yet they are asking you to vote, and you still go out and vote. What do you get for it? Did you ever get a change in conditions in the last nine years or the last ninety? You never voted on fundamentals, and you never will under a political party structure. You vote on party members; so, if you are going to vote, get two dollars for it. It is all you ever will get. The political machine in Chicago votes the telephone directory and gravestones. In Winnipeg, of course, you don't do anything like that.

Another interesting thing is any city of the last 40 years with industrial planning. Technology is destroying the basis of taxation based on assessed values. As long as this was increasing, the income of the municipality was increasing. Today we require less plant space to produce more. A 50,000 kw turbogenerator unit is replaced by a 165,000 kw unit, and we have boiler space left besides. You don't increase assessment. The rubber plants of Akron moved out and left the plants. The citizens will take their exercise on the space because there is nothing left there. The municipality will have the employees and the buildings. In Cleveland, there are 300,000 people on relief out of 900,000 -- Akron the same. Paper is moving out of Wisconsin and going south. *There are ghost towns in Wisconsin.*

You have a little coal situation out west. The CIO raised a little hell in Estevan and on to Drumheller. The Canadian Coal Operators Association is trying company unions. The little boys caved in and the open pit mines are running. In order to get over the situation, they will have to mechanize, and the CIO members will be out of a job. Isn't that lovely? "The mills of the gods grind slowly but they grind exceedingly fine." Raise labor costs -- compel mechanization. Same in the coal fields -- more miners on relief in western Canada. The sooner you can put most of the miners and families on relief, the sooner you will change the system.

We have a hamburger psychology. A man is making $15 a week. An organizer gets him a $3.00-a-week raise and what does he do? The damn fool goes out and gets married. That is the kind of moronic stuff we have. You have to put them out of work until you have enough of them out of work. Some of you feel that is tough. Social action never has arrived from cogitation or thought processes. Social action is mass action. It is not gentle and it does not come from cogitation. It is hard to realize our fellow citizens are so damn dumb. Here we are in a power age such that we can expect it to give us security and abundance. Technocracy points out no political government of any kind can provide a higher standard of living or economic security. It cannot be done by any political government. It cannot be done under a Price System or by maintaining a scarcity.

We have the men, the machines, and the materials on this continent. We can give every human being the highest standard of living from birth to death, providing we quit sitting on our collective brains. It can only be done as a mass movement. Russia wanted to impose Bolshevism -- 94 percent of the Russians were on the soil. Bolshevism was a minority movement imposed on the majority. Fascism in Italy was a minority movement imposed by church and state on the people. When Mussolini got his army trucks for the trip, he found there weren't enough truck drivers. He had to hire them. It was a minority movement. In Germany, there was also a minority movement. Why were they minority movements? The factors were entirely different -- the majority of the people were on the soil or in small establishments. All factors here are quite different. It is impossible to have a communist revolution or fascist coup d'etat and to continue this democratic business is impossible.

Those of you who remember the general strike in Great Britain a few years ago -- in London, there was no great danger, because London is one of the great distribution points. The danger was the rest of England. Here on the North American Continent, we do not distribute <u>from</u> them in the case of basic commodities; we distribute <u>to</u>. In greater New York, there are more telephones

than in half the world -- more than in China, India, Russia, and Poland combined. There wouldn't be time to erect communist barricades in New York. You could fight a revolution in Russia with 94 percent of the population on the soil. Here, 90 percent of the population would be involved in 72 hours. Cut off water in New York, and you reach the deadline in 5 hours and 18 minutes. Your city would be on fire in so many places that if there were no other trouble, it is doubtful if you would overcome it. The technological tenuousness of this continent is totally different from any place else. You can't impose the moral philosophy of Karl Marx to be administered by a political oligarchy -- it won't work here. Nor can you impose a fascist philosophy to be achieved by a coup d'etat.

We will have an entirely different situation -- not one for counting noses. Do you realize today that to count noses is very well, but it doesn't solve anything. Have we solved a single economic problem in the last 9 years? We have not. We are getting closer to greater liquidity and greater productivity and more surpluses.

Well, what has to happen to the people of this continent -- can you organize yourselves? I am trying to drive home that you have to organize as a mass movement for the first time in history -- 90 percent are involved. In other cases -- only a few percent -- you could impose a minority movement . Here, 90 percent are in the same boat -- tall or short, fat or lean, clean or dirty. If this system breaks down, you haven't got time. If you are not organized, it doesn't matter.

In two years you will reach three times the average standard of living of 1929. The conduct of human affairs has to conform to the technique of operating our technological equipment. No political government in history has ever assumed the responsibility of guaranteeing the economic status of every citizen from birth to death. Technology imposes that on us. We will be compelled to be our brother's keeper. We all profess Christianity, but your professions mostly amount to about two hours a day, one day in seven. The other six days and 22 hours you are out chiseling to make good your pretensions on the collection plate on Sunday.

This country and continent can be so organized -- men, materials, machines, and resources -- that, operated on any appreciable load factor (it can be operated at 18 times the average load), it means an abundance for every citizen. It means a new system of distribution. Functional governance must assume to guarantee the economic status of every citizen. The citizen receives his purchasing power for fulfilling his contract. Some of you will not like that. You will remember when the Lord said, "Go into the vineyard and I will give you a penny a day," and all received a penny. Well, measure yourselves by what the Lord said and see how you measure up. Are you going to object to your fellowman getting an abundance? Can't you take your Christianity if it comes into actuality? You will have to live up to it for the first time in 1900 years. If you have any of those debt claims -- insurance policies, mortgages -- you can't take them with you, and they won't be good much longer; so, you may as well cash them in and have a good time.

We are headed for a social change the like of which was never known. Not merely a change in political government but a change in design and functional setup; not only that, but a complete change in the process of arrivation of social decision. Social decisions have always arrived by resolving a conflict of opinion into a consensus of opinion. Whether the opinion was minority or majority, it still was opinion. Opinion, in a power age, smells and is totally useless. There will have to be a different process of arrivation. Under a Technate, that will result from the close approximation of the functioning of the physical equipment of this continent. Only when there is no consensus of opinion will there obtain a maximum of personal choice.

Here is something brand new. Here is a blueprint not filled in in detail but schematic and general, viewing this country as an operational problem in the light of modern technology. A brand new progression comes up. No relation to anything yesterday -- a new thing, born of technology: the first social movement to be developed, manned, and run by North Americans.

We can only do it as a continent-wide organization. Remember, we come to you as a nonprofit organization. We get $15 a week -- $5 more than last year.

How many labor leaders are working for anything but to try to chisel you for a large salary? No chief beneficiary becomes a leader of a new regime. He isn't going to disturb the status quo. A new type of leadership and generalship is necessary.

INTERVIEW OF HOWARD SCOTT
BY ASSOCIATED PRESS,
UNITED PRESS, AND
INT'L NEWS SERVICE
JUNE 28, 1940

HS: What is on your mind?

AP: I want to find out, among other things, what was behind this rumpus in Canada closing up the Vancouver -- or, rather, the Victoria offices of Technocracy Inc.

HS: The Provincial Police apparently closed up a few little offices. We are to a certain extent in the dark as to what is basically behind this; in other ways, we are not. An order-in-council (PC 6280 was presented in the Dominion House of Commons to the Minister of Justice, which was tabled (tabled generally means that it was deferred). The order-in-council is not legal in the United States. It comes under the so-called Governor-General. An order-in-council is issued when Parliament is in session. Although the order-in-council declared our organization illegal in Canada, we have had no confirmation of such from the Minister of Justice of Canada.

We have 206 offices in Canada in 8 provinces. Offices run up to 6,000 square feet, have lecture rooms, shortwave, our own study classes, orchestras ... We have 9 offices in Vancouver. All other organizations -- political parties -- have been banned under the War Act, but we have been running wide open tours -- 3 or 4 tours are on right now.

AP: What is a tour?

HS: A speaking tour. So far as we know, we cannot ascertain on what grounds they can declare us illegal. We have done nothing to warrant such a declaration. We have been a perfectly legal organization.

AP: Could your announced idea of the consolidation of the North American Continent be at the bottom of all this?

HS: Of course, that is undoubtedly the basic reason for all of this. In our new publication, mention is made of the continental defense area. We are calling for a three-year continental defense training -- 18 to 21 years of age -- containing a standing army of a million soldier-mechanics; a conscription law to apply to manufacturing, communication, and transportation.

We are not anti-British any more than we are anti-German or pro-American, but we are the only organization that is for the consolidation of this continent.

Countries on this continent are no menace to the United States, so that national defense as now proposed is tantamount to traitorism no matter who proposes it, and this is the substance which is back of the trouble in Canada. Ours is one organization that did not cripple its membership in Canada since the declaration of war.

AP: How many does that make? I mean, how many new members?

HS: I do not know offhand -- 5,000 or 50,000.

INTERVIEW OF HOWARD SCOTT BY
ASSOC. PRESS, UNITED PRESS, AND
INT'L NEWS SERVICE -- 6-28-40

AP: What do you attribute that to?

HS: What do you mean -- the growth of Technocracy since the war?

AP: Yes.

HS: It has been growing since 1935 -- never had a setback. We have been having a number of tours in Canada. There is no arena large enough to hold our meetings. Winnipeg Auditorium and several others mentioned.

AP: Seems to me that much more marked enthusiasm has been shown in Canada than in this country.

HS: It has been growing rapidly.

AP: You mean in proportion to the population?

HS: Yes, and you have the same rate of growth here.

UP: How long have you been growing in this country?

HS: About 8 years. We have not always been a membership organization. Our first tour was in February 1934.

UP: Do you think that the Canadians might be a bit peeved at what may be termed as the isolationist attitude which you have in regard to the United States?

HS: Ours is not an isolationist attitude. It is an insulationist ...

UP: Rather a mincing of words.

HS: This country has to dominate this continent and consolidate it -- take over all the Danish, British, French, and Dutch possessions on this continent, as well as the Spanish -- within the confines of Greenland, south of the Rio Grande, French and Dutch Guiana, West Indies ... We bear no enmity or prejudice against any nation -- just a case of continental defense.

INS: What form would your continental consolidation take?

HS: You cannot consolidate under the existing setup any more than you can meet the defense program.

I was Equipment Engineer at Muscle Shoals during the World War. One hundred twenty million dollars were spent producing nitrate plants and they never produced one pound of nitrate. The Ordnance Department spent $4 billion from April 6, 1917 to July 9, 1918. Britain wanted 20,000 guns of all calibers -- they only got 133 or so; France less than 106 lots of ammunition.

HS: We will not get anywhere on the old basis of governing. Under the present conditions we will have more profits, more millionaires, more unemployed, but I will be damned if we will get continental defense out of it. You will have to produce equipment, have unity of purpose, and design of control to achieve it.

We have members in Canada, Alaska, the Panama Canal; we are all citizens. We do not accept aliens or Asiatics. We have no subsidies, no endowments, and carry no advertisements. We are the only organization in the United States that has gone to town in Canada, and under peculiar circumstances.

If England cannot survive ...

AP: What is your total membership now?

HS: We never make a statement on that.

AP: Do they pay?

HS: Yes.

AP: How much?

HS: $5.00 a year.

INS: What does a member get for $5.00 a year?

HS: Study courses, literature. The smallest unit organization has a chartered Section covered by a Board of Governors of 11: Director, Chief-of-Staff, Regional Division Boards cover 10 or more Sections -- 2,000 members in one Regional Division, Area Board.

It's a matter of coordination, a unique proposition. Without a number of facilities or help from anybody, we have gone this distance. Although we have had as many as hundreds of paid admissions, the press ignores us. A cockeyed communist on a soapbox may get a handful of people to listen to him, and he gets two columns in the newspaper.

AP: How long do you think it would take to effect this transition -- your proposed setup -- if the public was favorable towards it?

HS: Merely takes a referendum.

AP: Months or years?

HS: Inside of thirty days.

AP: Would that include putting into operation your old plan of knocking out currency and people working only four hours a day?

HS: Yes -- by putting in machinery, it will.

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UP: You want to create a United States of Americas?

HS: The consolidation of a continent. You could not call it a United States. It is a federation, a federal government of the United States is a confederate government -- has not the power to issue a charter.

UP: There is to be one political group?

HS: One functional government, one language, one people, one and indivisible.

FEZER: There would be no individual states. You could not run it under this political mess.

UP: What form would the functional government take? Would it be a democracy?

HS: We have a democracy now.

UP: Well, what is a functional government?

HS: Balanced load operation. You have it in a powerhouse, telephone company, steel industry ... No autocracy, plutocracy, and so on.

UP: How are you going to sell the public the idea if you cannot define it?

HS: We can define it.

UP: But you have not defined it to me.

HS: It is an executive administration by function. Communication is a function; so is public health. Representation by continental function.

AP: How would your administration become active -- supposedly by capability?

HS: By technology. Take the telephone right here. The stockholder has nothing to do with the design of it.

AP: Yes, they have this to do with it: they indirectly name the people who design it.

HS: You do not name the advertising manager.

AP: Some mention made of Gifford.

HS: Now you are incorporating value.

AP: They select Gifford. He selects ...

HS: In other words, President Roosevelt cannot get a doctor to design the Hudson River Bridge. He could select all those he wanted to, but they could not design a bridge. It is limited to function. You are limited to functional law. If something goes wrong with you, you cannot have a barber operate upon you, but you can select a doctor -- trained people.

Here we have one billion six million more prime movers. We did not get that by the old method. Equipment runs by virtue of the training of the technological application of science. So far as we are concerned, technology is up-to-date, but the social institution is in the days of the outdoor privy and oxcart. You want to ride in an automobile, but you do not want to go to the outdoor privy. We are producing physical wealth by extraneous energy. In Europe -- physical wealth by hand tools -- human beings work longer hours and produce less. Here in this country, less Americans work less hours. The more physical wealth you have, the more extraneous energy must be used in order to produce more.

Our predictions of trouble to this system taking place in 1942 are already coming to pass. We have not missed yet.

AP: In 1936 you said consumption of extraneous energy was 153,000 kilograms per capita per day, that if it bounced up to 200,000 kilograms by 1942, things would be bad. Has that rate been climbing since then as you anticipated?

HS: Yes; 1937 on schedule -- September 1937, nose dive; 1938, did not have an increase; 1939, pickup. Twelve or fourteen percent ahead.

AP: Extraneous energy -- by that you mean your natural resources, not human energy?

HS: Yes, coal, gas, and so on.

Getting back to the Canadian situation: We are proposing the consolidation of the North American Continent under one government, one language, one people, one and indivisible.

AP: Inasmuch as you will have a lot of people equally capable in one field, under your functional administration, how will you overcome this competition?

HS: You do not have competition insofar as directors of research are concerned. That only comes with the soapbox orator.

UP: Then our political and social system is a lot of fluff?

HS: We do not have it in the steel industry, telephone, etc. A typical demonstration of your politics is the Republican Convention -- a lot of ballyhooing for individuals. We think if we indulge in an escapism of ballyhooing of individuals ... It does not matter if you put Jesus Christ on the platform or someone else, it would not alter it. You are playing under the rules of this game. No matter how good the player is, the rules of the game prohibit any real change. We have to change the rules of the game. Technocracy does not <u>wish</u> to change it. Technocracy is pointing out that you <u>have</u> to change it if you are going to meet the internal and external troubles which America is facing today.

It does not make any difference if British or German totalitarianism wins; in one case we would face the totalitarianism of Germany and the other Britain and France, and we are totally inadequate to compete with either.

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UP: Which is the worse of the two evils?

HS: Well, the Nazi is traveling faster. It is more imminent in its threat;, and it does not look as if the British Empire is going to survive very long. In 1932, I predicted as and when this would happen.

It is not a question of disliking the British -- after all, we are more closely tied up with them and have shown more sympathy for the Allies; but if we are to continue with the same national policy and foreign policy and internal operations we have used so far -- spending $25 billion in social conflict -- how do you expect we can defend ourselves?

We cannot do the job here.

AP: What is fundamentally unsound ... high consumption of extraneous energy ...

HS: You are producing ever-increasing high activity. Total man-hours are declining. It is an American phenomenon. It does not relate to the foreign powers. Theirs is still an economy of scarcity. Ours is an economy of potential abundance. The more that we can do, the more abundance. This is not blaming Rockefeller or Mellon. We would still be in the same boat. There is no personal objective in this thing. With the increase of abundance, purchasing power declines, because your total man-hours decline. When you first put in an industry, employment rises. We can show you charts. Then it reaches a peak of employment -- peak of production activities and down goes employment; and this will get more serious as they continue to mechanize. This is denied by the National Association of Manufacturers and others. We cannot reabsorb 11 million unemployed, but as soon as you slap that equipment into use, it becomes more efficient, and then you have more unemployment.

Now here is something if you want detailed figures. That is the trend for the last 30 years in the United States.

Railroads: Diesel engine trains. Sixty percent of the railroad locomotives are over 20 years of age. Obsolete equipment. It is the modernized equipment that has displaced most of the men.

Private business has refused to create new debt each year. If there were sufficient producing capacity, they could not run what they have to make a profit.

AP: Under the Technocratic setup everybody would get an equal number of credits -- equal amount of work?

HS: It is not tied up with the amount of work a person does. It is because he is a citizen of this country.

AP: Then every individual family would get a house, a bathtub, and so on?

HS: Minimum housing is already dedicated before he gets individual purchasing power.

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UP: What determines how much credit the individual gets?

HS: That depends upon the total energy converted in the national setup.

UP: No greater reward received for the amount of effort expended?

HS: Not when he gets all he can. There is no social distinction.

AP: What kind of police power would you have? Wouldn't it be possible for the smarter individual to have more than the others?

HS: You have an abundance under a Technate. When you have an abundance, do you have to rush out and take what someone else has? Therefore, would it be necessary to have a police force? Individual purchasing power is nontransferable. You cannot hoard , and it cannot be exchanged.

INS: Who is going to prevent you from hoarding it?

HOLCOMB: You cannot hoard it. There is no value. Nothing represented until you spend it. If you do not spend it within a two-year period, then it becomes null and void.

INS: Suppose you want to buy a yacht?

FEZER: You would not buy a yacht or an automobile. You would not have any more three cars standing in a garage to bring out your social standing in the community. You could always get the use of a car on a time basis. You could always stop at a service station and pick out any car to take you to a given point.

HOLCOMB: The automobile that you have now is not the finest that science can make. Under a Technate, when you would not have to bother about a resale, an automobile would be made that would knock the spots out of the ones made today. Technocracy has a design for one. The car would last too long to have it made up at the present time. It would put an end to the resale of cars.

Also, take, for instance, the razor blade. The ones on the market today are good for but one shave; but science has developed a blade which will shave innumerable times. Why don't the razor blade companies use it? It is obvious.

FEZER: And when you take one or two problems and try to analyze them out of thousands of problems, the whole setup looks very silly.

AP: There are an equal number of people in the country who are fitted around grocery stores and filling stations. Who is going to select which does which?

FEZER: They select their own field. There would be no grocery stores and gasoline stations as we have them now.

Not everybody wants to be a professor -- or a ditchdigger. Not everyone wants the same job.

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HS: This is not a lot of Utopian nonsense; and as far as the Nazis, Communists, and Fascists are concerned, they all stink alike. And why distinguish between the stinks in this power age?

We are not doubting their personal integrity at all.

We cannot handle America's problems in the old-fashioned covered wagon and Chick Sales high emporium method. That would not bring about the right design for this continent.

Here is a brand new social approach.

When your technicians design a bridge, they design it so that the saint and sinner have equal availability as to the structure. It does not have anything to do with the morals of the saint or the sinner, for the one does not contribute one iota more than the other to the construction of the bridge.

We are facing the end of an epoch here. United States consumes 96 percent of what it produces. It has not been a foreign trade country. The greatest foreign trade carried on was in 1918 and 10 percent of total exports were munitions.

South America is a producer of raw materials -- mostly agricultural. South Americans are fundamentally Fascists, dominated by European thought. We are not going to make good neighbors out of them. The only thing that they would respect is force, not a good-neighbor policy.

Cordell Hull -- as far as his position as Secretary of State is concerned -- is like a Leaping Lena of Lima. He fails to mention to this country the true conditions in South America. Billboards throughout Buenos Aires read "Fascism is Argentinian." Photographs have been sent here but chucked out in the Press Bureau. You can get them, of course, but the papers will not print them.

Cannot deal with the changed situation of the world.

Europe is going to be consolidated with Fascism-Nazism and Communism, and unless Canada becomes a part of this continent, she is liable to ruin 500 billion bushels of wheat, as the only foreign market for this wheat will be the Nazi of Europe; and this will happen whether the Canadians like it or not. If she does not sell to Europe, it will be ruined, as she has not enough storage room to keep it.

And we are in the same position. We are not going to get anywhere with our present policy. Our program of national defense as it now stands is one part sincerity and five parts government fund stimulation of capital goods industry, and six parts political opportunism in national electioneering.

INS: Under Technocracy, who would have authority?

HS: There would be Chiefs-of-Staff, functional series, or sequences. This is a long story. You could not discuss the subject of physics in one interview. We have been at this for twenty years. It is not new with us at all. We did not develop out of the depression.

We were a research organization -- have been for a number of years -- and are now a membership organization, a continental membership organization. No members of Technocracy have bothered anyone or have any been arrested at any time.

AP: The closing of the Victoria office was the only time legal action was taken and was that the only one closed?

HS: Oh, no. All the offices in Victoria were closed. We have something like 60 offices in British Columbia alone -- and 7 or 8 closed and the rest were ordered closed.

AP: What are you going to do about it?

HS: We are obeying the law as we always have.

AP: Have you Americans employed in your Canadian offices who you have to bring here?

HS: United States citizens cannot be members in Canada. Canadian citizens are members in Canada, and United States citizens are members in the United States.

AP: Have you members in Canada employed full time?

HS: Slews of them. Each office has at least one member employed full time, and some have complete full-time staffs, publications offices -- we publish about 16 periodicals in Canada.

AP: How many in the United States?

HS: About 36 or 38.

INS: Will this affect the publication of the 16 periodicals?

HS: Under this Order-in-Council, everything becomes illegal. The Order=in-Council reads --

INS: That is the Canadian setup? These offices that have been closed are only in Victoria?

HS: The B.C. police took the order to jump the gun.

FEZER: We will not operate against a legal order from the Dominion Government.

HS: The whole situation is just politics; however, we are the only organization that can afford to wait. This situation as far as Canada is concerned will be precipitated before Christmas.

AP: Do you still maintain that there will be (?) million unemployed before 1942?

HS: I never made any such statement.

AP: How will the situation be solved before Christmas in Canada?

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HS: Well, if the British Empire collapses, it will throw Canada into the lap of this continent. I am not solving the problems internally, but the die is cast if that happens.

AP: $2.00 ???

HS: If you did not get $2,00, you would not get anything. You are not deciding any national problem by casting a ballot under the present setup. No national problems have been decided by the ballot. We do not vote on problems and issues. We vote on parties and individuals. You understand the difference. If you voted to have a continental high school, then you would be voting on a proposition or an issue.

AP: Occasionally somebody votes for A instead of B because A promises ...

HS: We fling them out of the White House because we are agin them. Thousands are anti-Roosevelt; they are agin him. The same for Hoover and so on.

UP: There are many for Roosevelt in his domestic policy, but agin him in his foreign policy.

HS: Natural psychological trait -- agin something rather than for something. Take, for example, in a baseball game ...

This is the most critical time in the history of the world, and America faces simultaneously both opportunity and disaster. Unless we have unified control and direction, we face disaster, whether the flood comes up from the cellar in our own house or comes from the outside. You cannot introduce foreign philosophy here -- Fascism or Nazism -- they would not work here.

The technological situation would not permit it. We have a problem of handling an abundance. Theirs is a problem of maneuvering scarcity.

AP: Why is there such a basic difference between Britain and America? They had a lot of machinery before we did.

HS: France -- average 5.3 percent hand-tooled craftsmanship. Germany is not industrialized; neither is Great Britain or any of the other European countries.

112 hand-drawn forge hammers ... we would hit a man over the head with a wrench if he tried to do that here.

First building in 1927 -- construction for a swimming pool.

France, building a house, puts on the plaster and then rips it off to put in the pipes -- still craftsmanship.

Germany -- the Krupp works.

France -- more production means more people employed and longer hours.

They shovel coal into cars by hand in Germany, France, and Great Britain. Garbage pail efficiency: save the scraps.

Most people in France and Germany are peasants. Population is 60 percent on the land. Percentage on the land here is 6 million farmers, less than 20 percent on the land. Sixty-four percent of our farms produce 35 percent of our agricultural production. We still have too many people on the land on the basis of marginal land and starvation.

Europe has to do its agricultural trade by hand. Nine-tenths of its manufacturing is hand-tooled; for instance, in a shop where there are four or five people employed and papa is the boss and mamma works the cashier's cage, they can shut it down, drink beer, hoe the garden, and it has not the social effect it has here.

Technocracy is not questioning the sincerity of the national leaders, but it is questioning their intelligence.

HS: We, as a country, should state that we are going to take over Bermuda, Greenland, and so on, because we will have to take them over eventually. We will have to operate under one technological control. We are not announcing what we are going to defend. We can only defend the continent. You cannot defend the hemisphere, but you can protect the hemisphere and make it so deadly nobody will bother with it.

Churchill River on Hudson Bay is only a few hours from our central manufacturing district. Roosevelt did not go into that. It is closer to Europe than to New York. We cannot organize to meet external or internal problems and free economy trade basis through the Pax Britannica. We have to substitute a Pax Americana.

AP: How do you measure consumption of extraneous energy?

HS: That is measured by instruments. When you pay your bill at the electric light company, it is metered. You can meter anything. It is not a form of guesswork. It is a matter of continental accounting. You are not measuring individual ability.

AP: I just wondered how you did it.

HS: You do not have to worry about so-and-so getting a little more than you do when there is an abundance.

AP: How do you get your figures?

HS: They come from standard sources of the government, countries, and corporations. We only collate the data from standard sources.

AP: Your statistics come in the form of barrels of oil, tons of coal ...?

HS: Hydroelectric energy, cubic feet of gas, kilograms ...

AP: The amount of use you get out of it is the amount of energy you get out of it? It is the use that counts in affecting people's lives?

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HS: It is the use of everything that counts in ownership.

HOLCOMB: You have the greatest inefficiency at the present time.

UP: Are those Technocrat suits you are wearing?

HS: We have been wearing them for a number of years.

UP: What is their purpose?

HS: Regulation dress. It's an American color. The cloth is made to our specifications: 64 percent Delano wool, made to measure, and sell at $25.00. You cannot touch it anywhere else for less than $60.00. You do not have to wear it, but you have to get a permit to wear it.

INS: It is just for your staff -- not for your members?

HS: It is not compulsory. Both staff and members may wear it once they are granted a permit.

(Scott shows a photograph of staff members wearing the regulation dress.)

AP: Is it not warm?

HS: We have a lighter weight material for the summer.

AP: At the rate we are going now, how long do you think it will take before the water comes up out of the cellar?

HS: It already has. Ford, the biggest single individual tool manufacturer, offered to make aeroplanes -- also predicted that he would be sabotaged.

UP: Is it not true that Ford was going to use an English patent?

HS: Yes, and we should confiscate all patents.

UP: Isn't that being rather high-handed?

HS: We have to be high-handed. This is not the time to be ticklish about that. We have the technological science and equipment. We have no unity of purpose, no direction, no objective.

UP: I have to get back to the office.

AP: Since 1935 you have been engaged in what might be called a process of education, and at the rate you have proceeded, how long do you think it will be before you have sold enough people with the idea to put Technocracy across?

HS: We are not selling the people. It is the march of events. We do not beg anyone to join our organization. We take the opposite attitude. We insult our audience. No one in this organization is making any money. It is not a racket. We all draw the same salary.

INS: Is that your title -- Director-in-Chief?

HS: Yes, and we have Directors of every Section. I am Chief of the executive offices.

INS: Is your salary made public?

HS: It's $20.00 a week. The stenographers, clerks -- everyone -- at CHQ gets the same amount.

AP: Do you think that is enough to live on in New York City?

HS: We know damn well it is not easy; however, we are not trying to be martyrs, but somebody has to do this job. The job has to be done or we face chaos. The object is to get all the money we can for the expansion of this movement.

AP: I think all of my questions are answered.

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EXCERPTS FROM TALKS DELIVERED BY HOWARD SCOTT DURING VARIOUS LAKE ERIE BOAT CRUISES

Originally published in EIGHTY ONE FORTY ONE MAGAZINE

CRUISE OF JUNE 30, 1940

Our organization, in the past six years, has been ignored by nearly all outside publicity agencies and lied about by a few, only to arrive now at the point where we are told that we are correct.

America is not adequately provided with defense, and we are not going to town with our 48 sovereign states, our 165,000 or more diverse governmental groups, and our 80 million adult citizens with 800 million different opinions as to what is to be done. There is no menace to the United States in this Continent -- we are the dominant power; but the United States alone is not sufficient in the Western Hemisphere. Our defense must comprehend the Continent from Alaska to Venezuela and from Greenland to Bermuda, including the Pacific Islands westward to the International Date Line. Contrary to Roosevelt's and Hull's contentions, South Americans are not "good neighbors." They are definitely fascist for economic (trade) and cultural reasons. And remember, this Continent offers the richest loot in the world. Only an adequate show of force on our part can keep South America from opening the door to European invasion.

Regarding politicians and their relation to defense problems, during the U. S. experience in the World War of 1917-18, it took several months and an expenditure of $4 billion to put about a hundred guns in France. And now the Republican Party has nominated for President, "Windy Willkie, the Futility Candidate." Americans are hard to get organized. They are always looking for escape through baseball, movies, night clubs, politics -- anything to avoid facing their pressing problems. Technocracy Inc. is different; it is the one American organization in origin and purpose which is striving to bring home to Americans the seriousness of our situation and the need of disciplined action to pull us through. But this cannot be done by any minority. It must be a mass movement of an overwhelming majority. If you don't organize, this continent will be taken from you. If Technocracy is correct, you must join us or join your ancestors.

CRUISE OF SEPTEMBER 15, 1940

Very few people realize that this is the turning point in the affairs of America. Business, with its nose in the Price System trough, does not realize it. Business is only anticipating another 17,000 millionaires, as in the First World War boom; but the situation is somewhat different now. In 1917, the national debt was $2 billion; it is now over $45 billion. There was little unemployment and no relief in 1917; now we have 10 million unemployed and many more millions on relief.

Another inflationary boom is on; but technology is now so much more efficient that we can double our production every 90 days, a speed which Europe cannot touch; for instance, if the airplane manufacturers of the United States were to start off with an initial production of 1,000 planes per month, at the end of three months they could be producing at a rate of 2,000, in six months at the rate of 4,000, in nine months at the rate of 8,000, and in one year at the rate of 16,000 planes per month. This geometrical rate is also possible for boats, and if that ratio were continued for any length of time, the United States would have to create a navy for the women.

The Burke-Wadsworth Law, with its provision for one year's military training of single men between 21 and 35 years of age, is wholly inadequate for defense. You cannot create an army in one year. Under this law, then, the armed forces of America will automatically marry the WPA. With from 6 to 8 millions unable to make money, these will also object to any other person making any money.

EXCERPTS FROM HOWARD SCOTT TALKS
DURING VARIOUS LAKE ERIE BOAT CRUISES

In place of this Burke-Wadsworth setup, we need a permanent standing army of a million or more engineer-mechanics. We require a two-ocean navy; naval bases at strategic points on the continent and outlying islands; an adequate air force, with land, water and air divisions under separate operational control, and cooperating whenever and wherever needed under orders of the Commander-in-Chief of the armed forces. With up-to-date planes, the air force would be the first line of defense. These planes would have a range radius of 2,500 miles from their bases. All other resources of men and materials in industry and agriculture must be made available for defense needs without Price System restrictions.

Meanwhile, the chiselers and the politicians will blunder along with no idea of what they are to defend, and with the hope only of making more millionaires through an inflationary boom. Germany spent more than $13 billion on her war preparations. The United States would have to spend in excess of $100 billion for adequate defense, but if the Price System chiselers should have their way, we would be spending several hundred billions without getting what we need.

That which will most probably accompany this inflationary process under American conditions is interesting to contemplate. European production increases so gradually that it would not stall in years. America will be in an impasse in a few months with wide open production. So this chiseling of profiteers will increase the pressure against the chiselers, because defense must go on.

CRUISE OF JUNE 15, 1941

These are strange times. A few years ago, a group of us were like John the Baptist, crying in the wilderness; we were unkonwn. We made an analysis of this continent and foresaw the date with destiny. We have been called a lot of names. Many people have had a lot of different ideas regarding us; but today across this continent, this organization has the unique privilege of calling the turn of events of America, while others have guessed wrong. We have occupied a unique position.

Today in Washington, there are 149 dollar-a-year men, the biggest businessmen there are. They advised this country a year-and-a-half ago there was no need to increase the capacity of the steel industry, and that we had sufficient aluminum; we didn't need additional capacity for magnesium, that we had plenty. They fought those increases as they have fought off a New America. It is ironic that the threat from abroad is the power that is bringing these same shortsighted businessmen out into the limelight where they belong. We had them in the last war, and they were no good; and they are no good now, in this war.

True, there has been a lot of talk and a lot of propanganda, trying to make out that every laborer is a "red"; a few are, but the majority are forthright Americans trying to make a living. On $18.00 a week, they are trying to keep a wife and family, and they are accused of being "reds." That is the sad state it has gotten into. Out in the North American Aviation plant, the same way as the Volte, the starting wage was 50 cents an hour and they worked less than 40 hours. Eighteen to twenty dollars a week and a fine bunch of Americans; yet because they wanted to get a living wage, they were called "reds."

It's the same all over the country; but our newspapers are kidding us concerning this danger, while real danger is not admitted. They quote you figures of man-days lost by strikes. The number of man-days lost by sabotage of Big Business is over 400 million, compared to 2,734,000 man-days lost by strikes. It's a sweet picture, but the press won't tell you that because it is controlled by the same men that are making money out of the war.

Technocracy's program is well known. We have only one position and we don't care who knows it. We are not out to reform the world. Try to understand that. We are for defense of this country and this continent, first, last, and all the time. It's time we realized what we are faced with today, the job to be done. We advocate total conscription of men, machines, materials,

and money, with profits to none and with gain to none. In other words, if this job is going to be done, let's do it all for one and one for all and cut out all of this nonsense. We are not on the level; we sent the Army into the North American Aviation plant. To take over the plant? No, to break a strike. It puts the Army in a very difficult position. The orders were to take over the Aviation plant until it resumed normal production and then give it back to the owners, which is a subsidiary of General Motors. That is going to happen a few more times; but you cannot get a total defense with the present competitive basis of chiseling. We are either going to get defense and throw over the chiseling or throw overboard the defense and all chisel. We, in Technocracy, have no position in the political government; we are not doing this for personal gain; we have no axe to grind. All of you who belong to it, do so because you wish to.

You are going to see a lot of changes. They have ordered a decrease in the total number of automobiles, but that isn't enough. We need to make only two types of automobiles: one 95 hp, the other 135 hp, differing only in the engine size, size of the body, and tires.

We have to have efficiency at home because the job requires it. Most people have the idea that we can draft men into the Army and give them a uniform and a rifle and we accomplish defense. We'll do no such thing. In Napoleon's day, one man at home could keep two men in the army. In the World War, five men at home kept one in the army, and with the more highly mechanized equipment, it requires twelve to fifteen men at home to maintain one man in the Armed Forces. That is something that is necessary; a design of operation and internal efficiency, unknown in the history of man. We Americans must achieve it here, and we face social change in doing so, because the more machines we put in operation, the less man-hours we are going to use. When we achieve total all-out defense, we automatically achieve social change. That is what is scaring our businessmen to death; they are afraid there won't be any business when defense is attained. Now many of you feel the same way about it, and you probably thought that Technocracy's program for defense was drastic when we proposed conscription for males and females. You never thought the wife of the President would advocate conscription for women. You'll find it in your public press. The government follows Technocracy in this country. This being minister without portfolio is not an easy job.

The head of a large corporation in New York said the other day, "What will we do if you quit?" Well, seeing that they got Willkie and the Republicans on the same bandwagon, it is very amusing. We used to have political parties here. They had an election last year. I'd like to know how many are really satisfied that you got what you voted for in the last election. That is the sad condition our country has gotten into. Wall Street ran a futility candidate. The idea, of course, was a coalition government. When you get all the people that don't count to run your country, you are in a mess of a situation.

Now we have to realize we have a job to do, and we have to do that on our own initiative. Here we are carrying on an organization across this continent, without pay or political jobs, and yet we are growing. In Los Angeles, we led the Memorial Day parade. We carried all the disabled veterans there were in Los Angeles County. We were awarded first prize in the Portland Rose Festival Parade. We are doing the same thing in other cities. You have seen what we have done here in Cleveland. This Armistice Day parade -- we are participating in that in various cities on the coast. We will put over a thousand cars in one city alone. Now we have done all of this on nothing. We are not affiliated with anyone. We are average Americans, doing our daily jobs, whatever they are. We stand for a new type of America, abundance to everybody. It can be done without aid or profit to anyone. Let's realize that.

We have the resources on this continent; we have the machinery and men and a social design that will operate this continent for the benefit of those living here -- not for the benefit of aliens living 5,000 miles away. We, as a nation, up until now have had a glorious time of it. We have never had to bother very much whether we planned anything. Individually we are the most intelligent and the most competent. Collectively we are the most moronic. Well, you voted in

the last election, didn't you? We, as a people, were never organized, and Technocracy proposes to do that job. Right now we are refugees from reality, and we have to cut it out, because there are too many refugees here now. Now, it is time we made this country worth living in.

We play at helping the Chinese; at the same time, we send equipment to Japan. At the same time, we are all for helping the Chinese, we ship Japan the fuel to carry on the war. We are nice Christian people. We like to help the Chinese and we like to finance the Japanese. We shipped them over 20 million barrels of petroleum last year. They only produce a few million barrels themselves. After all, if we didn't, they couldn't carry on the war. We're shipping oil to the Canaries right now. Standard Oil tankers are carrying oil and other companies are landing aviation fuel in the Canaries. There were 59 Nazi, French, and Italian ships in the Canaries the other day. What a sweet proposition. Well, we haven't bravery enough to play it wide open. That is what Technocracy is asking for. If we don't get defense, let's go back and all chisel.

We are asking every citizen to get in this organization. You can't make money out of it, but remember you must be an American. We do not take aliens, Asiatics or politicians, and we won't promise you the "four freedoms". Neither will we put over any lend-lease bill, a better name for which is "give and forget."

There will have to be greater organization attained in this country in all of our industrial and defense production. In the last war, plans were drawn for a uniform dress for women in the United States. The reason it did not arrive was because the war ended a year too soon. Regulation dress for women is on the way in the United States now, and you'll see it very shortly. How do you like it? That means whether you are in Technocracy or not, you'll be in regulation dress; so those of you that didn't like our idea will now have to do it as a patriotic duty. You see how nasty we are. We get our government to do it for us. You see, the good Lord said that it was better to give than to receive, and Technocracy has been giving for a long time; and, of course, you'll be on the receiving end.

Now, we are calling for more regulation gray in this area and more official cars. We want to see the day we can jam Euclid Avenue for 25 blocks with painted cars from curb to curb. Why not? After all, we in this country are God's children and are going to get wings and all go in the same direction at the same time, and we might as well go under our own power than have the job done by the metallic element on the business end of a rifle. It can be done. You have seen it here, but it's not only here; it is all over. There are Technocrats here today from north of the latitude 49th parallel; they are not Technocrats -- they are Canadians. They are here from Chicago, Louisville, Cincinnati, Dayton, Columbus, Toledo, Detroit, and one here from Alaska. Seems they have a funny way of getting together, but you'll meet them in Panama and you'll meet them in Alaska. We are out in faraway Hawaii. The first Section in Hawaii is being set up now, mostly Navy men at Pearl Harbor. The other day, in the movies, they were showing the Ski Troops in Newfoundland with their commanding officer. There are two shots taken of them in white uniforms, so that it can't be mistaken, you can see the Monad on the white uniform of the officer.

Our Flying Wing design is the largest designed bomber of the world. Our tank designs and ship designs will be out shortly. We talk of helping Britain. We require three and four hundred ships in operation a month to maintain England's food supply, to say nothing of munitions. One thousand of the flying wings cost less than a quarter of the cost of an 8,500-ton ship and only 24 hours to make a round trip, while the ships take 30 days to make the trip.

The only protection against mass bombing is to bomb the sources of the bombers. Our flying wings are 330 feet, no fuselage, carrying one hundred 1,000-lb. bombs. They could leave this continent and bomb any city in Europe from New York, and fly back to Los Angeles; in other words, if we are going to build ships and equipment, let's design it for the job and not to sell to foreigners. A prominent banker, two officials, and an aircraft official objected to our offering these designs

for one dollar to the United States Government, inferring that if we offered them for a million dollars, it would be more easily facilitated. That is the kind of thing you face today. They are patriotic for profits. If they can't get their profits, they are not going to play.

The United States is going to take over the regimentation. Now is the time to get into this organization.

"THE DEFENSE OF AMERICA"
A PUBLIC LECTURE BY HOWARD SCOTT
AKRON ARMORY

April 22, 1941

How many of you voted at the last election? [A show of hands indicated about 85 percent.] Now, how many of you are satisfied with the results?" [Only about 5 percent raised hands.]

Here is a little background for some history illustrating American social behavior:

• Prior to 1776, George Washington, the "richest man in America", had no idea or intention of forming another country. Neither did the merchants of New England who staged their famous Boston Tea Party. Many of the leading Virginia rebels who were hunted as outlaws by Great Britain prepared to hide away in the mountains of that state until the storm blew over. There was no planned social change, but economic pressure brought progress beyond the vision of the leading participants.

• Shrewd old Sam Houston, in his struggle for the freedom of Texas from Mexico, understood his soldiers too well to take any chances. Knowing that with the first discouragement they would stampede back to their homes, Houston burned their homes and burned the bridges against retreat by either the Texans or the Mexicans, so they would have to fight; and when he had won the fight, Houston became so disgusted with the behavior of his people afterwards that he went back to the woods to die with the Indians. Americans have ever been thus -- changing only when economic pressure compelled them to do so. They have always been ready to express their opinion by voting, but voting has never solved any problem.

We are now facing a problem which will have to be solved by us under pressure, but meanwhile, propaganda agencies are bending every energy to keep us confused regarding the same. Take the European war: we are and have been fed with falsehoods concerning events over there. During the Russian-Finnish War, Americans were told that the Russians were badly equipped, etc. Pictures of inferior tanks were shown and labeled "Russian". They were, in fact, Finnish tanks. The Russian tanks were of the best makes and smashed through the Mannerheim Line. We were told the Maginot Line was forced by the German Panzer units; but we were not told that there was a hole in that unfinished line of fortifications, and after the French generals withdrew 200,000 veteran soldiers who were guarding it, the German forces passed through easily.

The German-American-British fellowship of munitions and other interests was another Tory setup of prewar days which, unfortunately for itself, failed to reckon with Hitler's purposes and his more up-to-date war preparations. The Allies still hold to the nonsense of "big battleships", while airplanes and submarines have made Admiral Mahan's "Sea Power" as antiquated as Robinson Crusoe. Convoys make a nice game of suicide. But we are not told these things because the interested propagandists don't want us to know. When General Billy Mitchell of the American Army pointed to the passing of sea power and demonstrated the efficacy of the air bomber, he not only was not listened to, but was court-martialed and dismissed from the Army for his heresy.

Technocracy and its predecessors of The Technical Alliance have been trying to bring to the attention of the American people the essentials of adequate continental defense for more than 20 years. Technocracy was asked to testify on the Lend-Lease Bill but declined. Said we would honor a subpoena, but the Congressional Committee did not want to subpoena anyone, because in that case the witness would have to take an oath to tell the truth. Lindbergh's testimony that America did not need more than 10,000 planes and that America was not attackable was not correct. We shall need more than 10,000 planes, and we can be attacked.

In fact, not a single concrete proposal for adequate defense has come from any of the "America First" or other groups. American engineers and technologists have designed the military equipment which the U. S. discarded and which Germany picked up and used so effectively. Technocracy, however, has designs for bombing planes and tanks, which we are ready to offer to the U. S. Government, which are vastly superior to anything Hitler possesses, and which if used along with our other measures for defense of this continent will render America invulnerable to attack from the outside or to any attempted invasion.

But none of these things will be applicable under the present inadequate program of defense. You cannot train an army drafted for one year only. Technocracy proposes a three-year training period for both males and females between the ages of 18 and 21, with a standing army of not less than one million engineer-mechanics; a two-ocean navy of swift-moving up-to-date ships; air bases at strategic points around the continent and on the continental islands; planes of Technocracy's design having a range radius of 12,000 miles and capable of dropping 265,000 tons of bombs in one hour on some distant European city and then returning, if necessary, to a base as far distant as Los Angeles -- all of these divisions of the Armed Forces under separate expert commands and coordinated under the unified control of the Commander-in-Chief.

What are we fighting for? Liberty? Justice? So we are told by press and radio writers and speakers. But we can't eat liberty, and most of us have never seen any justice. (This sally was loudly applauded by the audience.) Millions of our homes are unfit even for housing our dogs. Herbert Hoover talks much about relieving hungry Europeans, but when President of the United States, he ordered out the army to chase hungry unemployed from the nation's capital. It seems that if we Americans are to get relief, we must first go abroad. We are being told that our foreign trade will be gone after the war if Hitler wins. But our foreign trade is only about 4 percent anyway and has been "going" for a long time.

Still, the resources on this continent are ample if used as Technocracy specifies to guarantee a standard of living 10 times the present standard for 4,000 years. That is worth fighting for. Technocracy's proposed aid to Canada, suggested two months ago, is now bearing fruit; the politicians of both countries are getting their heads together to put Technocracy's suggestions into effect without, of course, giving us credit. A U. S. Minister without portfolio has a tough job, but they always do what we tell them in the end.

U. S. Defense is now in a bad way, with management and labor holding up production; but we can't blame Mellon, Lewis, and the others. WE the public are to blame. We voted for what we are getting.

But progress must continue under the pressure of events. Increased production will accompany improving technology. It will take $100 billion for defense alone. George Washington's physical prowess was heralded far and wide when he threw a silver dollar across the Potomac; but Franklin D. Roosevelt throws $700 billion across the Atlantic with the greatest of ease.

Taxes have just begun. The government must keep on creating debt. Soon we shall have propaganda from the America Bankers' Association to have the government take over the banks and put the bankers on the Civil Service payroll. So, if we are not now on the government payroll ourselves, we should get on without delay. If any of us are of military age, we should get into the army and thereby get on the government payroll. Remember that song: "You're in the Army now; you can't get rich"? The Army is now married to the WPA at $21 per month. In this process we may finally arrive at the goal of "one for all and all for one". We Americans are asked to go out in the world to make other people free from want, fear, etc.; but we haven't done that in our own country yet. Our stumblebum statesmanship doesn't want to change the chiseling game. As for our people generally, they have become "refugees from reality" trying all forms of escapism.

We can't solve these pressing American problems of disease, malnutrition, and others under the present economic and political setup. "Business as usual" will be succeeded by "no business after the war." America can operate wide open only for two more years. We are developing new automatic processes in all lines of production. It is practically certain that maximum productivity will arrive in America just ahead of maximum unemployment, with at least 34 million unemployed.

Technocracy is trying to wake up America. In the European war, neither Russia nor Turkey will fight. We are asked to go to Europe, Asia or Africa and die to try to preserve something that is already dying. Meanwhile, in order to gain time for our defense preparations, let us help Hitler, if necessary, as well as England, to keep the war going in Europe. With our inadequate defense preparations, it will take some time to set our house in order. Technocracy is trying to show us the way. It will not be easy unless we take more than one month in four years in which to show interest in our country.

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MEMBERSHIP MEETING
HOLLENDEN HOTEL
CLEVELAND, OHIO
WITH HOWARD SCOTT
SEPTEMBER 27, 1942

Ten years ago, in this very room, was the first time your Chief spoke in the City of Cleveland. A great many people in the City of Cleveland didn't like it then; but it's funny, they are afraid they have to like it now. At that time, there were no Technocrats in Cleveland and very few across this continent. Today, there are offices across this continent and in faraway Hawaii, Panama, and Alaska, and you have done this by voluntary effort. It is the only organization of its kind in the world, and you can be justly proud in what you have done. Realize that.

CHQ is not a labor organization. It could not coerce you by economic power or threaten you by the loss of your job; neither could we excommunicate you; neither does it have the power of an army; so that what we have done has been done by the efforts of the individual citizens of the United States joining together for a common purpose and unity. We have no endowment, no subsidies, no income. The total donations ever received by Technocracy in one year is yet to amount to $400. Outside of our campaign for the ads -- which was raised locally -- $400 is the total donation in one year. It has never exceeded that. We have never had strings on us and, incidentally, never will.

All of you have experienced something in your community. You have found out that you have been considered slightly balmy, slightly demented. Well, remember Technocracy's definition of a crazy person: An individual exactly as the rest of us, only more so. We Technocrats are Americans exactly like the rest of them, only more so.

We can look on the last ten years and repeat every damn thing we said, and the statements would be just as valid today as when we said it ten years ago. Of course, it would be unfair to the Democrats, Republicans, Socialists, and Communists to have them repeat what they said. They have had to change their past statements periodically everytime anything moved in the last ten years. It would be a crying shame to confront them with some of their statements. No political leader in the past ten years would want to acknowledge them. The fact is they are ashamed of them.

We are the only organization that has laid down the trend of events in this country -- and generally that of the world -- and hasn't been found wrong. It is an astounding record. If we had the financial background, the funds of the National Association of Manufacturers or some other powerful organization, it would still be a surprising miracle to have done what we have. We haven't the funds and no powerful friends, and yet we continue to grow. There is no other organization in the world like it.

It is only to happen here in America. Realize that it has been a natural here on this continent. Movements in other countries of the world were ones of trickery, conniving, and all kinds of chicanery. This organization has yet to stoop to association with any other organization. We have laid it on the line clean. A great many people in other organizations haven't liked us, and, as the organization said years ago, that Technocracy would rather be recognized by its enemies than damned by its friends. We are proud of it.

Many people thought several years ago that Technocracy was too drastic, that it would never come in our time. Well, may I remind you, this is the year 1942.

This country has been brought up to more soft soap and baloney than any other 130 million people in history. You have had to contend with it in your community. You know what it means. Here we are on one side of the national picture -- we are in the greatest boom, the war boom, and across the United States those of us that are fortunate enough to be in the war boom are enjoying being "nigger rich", and a great many people think it's going to continue. This

organization knows different. In Mobile, Alabama, that only had 30,000 population, 90,000 have moved in. There isn't anyplace to sleep there. They will rent you a pillow but no bed. In one section of Mobile, there is only one water tap for 50 people. Any kind of piece of corrugated metal, packing case, under a tree suffices.

You have many such cities across the United States. An acute congestion occurs in Newport News; New Britain, Connecticut; Seattle; Illinois, and Detroit. We warn that, under these conditions, epidemics are liable to break loose this winter, and it will be a rather serious condition. Of course, the army is drafting vast numbers of the medical, dental, and professional men. The armed forces are also taking the obstetricians out of the hospitals. Just what they want with obstetricians is a mystery. We hope the boys in camp haven't come to that yet. One of the largest hospitals in the Great Lakes Area is unfortunately not using antiseptics, but don't blame the doctors. It is not their fault. It is the confusion and anarchy due to the refusal to plan anything at any time. Business and free enterprise must dominate our social structure. It has dominated it up until now. What a sad spectacle to us!

The only propaganda that is widespread is the propaganda to buy bonds and war savings stamps. Not that we are deprecating that, but we are pointing out that it is the only efficient, nationwide campaign -- as if you could win a war by buying a hundred dollar bond! If every American bought all he could, you are still not going to win a war with dollars. A total war is won by men, machines, and a planned strategy, and not by a checkbook. Yet we have been conditioned by this concept of success that if a man made a million dollars, regardless of how he made it, he was an intellectual leader in our society. Well, all we have to do is look at many of them today and they are sad looking specimens.

The WPB in Washington is the most gigantic lobby that business has had. The successful men have lost their astuteness. Business has always told the politician what to do, but in this instance of total war, business has lost its sense of proportion and instead of letting the politicians remain in the driver's seat, they have insisted on driving themselves -- mainly the WPB. Therefore, they are going to be held for the conduct of the war production in these United States. Well, that is a pretty tough position to be in. If they fall down on the job, they are going to have a long, cold swim to another continent, and they are scared that is what is going to happen. Those of you working in a war plant can smell it. Your Director doesn't have to tell you all the details. We got them from across the country; they all stink alike.

Here we are in the midst of the greatest war -- the only total war -- in history and a world revolution, and we are still more concerned with whether we are going to make money, whether we can better our personal position, and to hell with the country. We don't say that openly, only actually that is what is happening. We are more concerned with the postwar position of corporate and free enterprise than with winning the war -- what the postwar will bring -- than being defeated by the Axis. In fact, they are scared Technocracy might come in. Oh, very definitely you are a dangerous lot of people, don't you know. What makes you dangerous is because you are the only ones that have an idea. Your fellow countrymen are only nice, and nice people always raise hell when it comes to a crisis, because they are damn fools. It is tough language, but a person has to think about it. When economically stable, there was no pressure. He didn't know how others lived, let alone across the continent.

I have been riding the streamliner train and met four successful businessmen. They looked out the window of the lounge car, out on the jungle buzzards along the tracks. Why, those men and women out there with a piece of tin or corrugated iron, they weren't Americans; they were bums. Funny, the bums were better looking than those riding in the streamliner. That is the kind of utter complacency and self-satisfaction we have. We have a structure of false values of successful enterprise, and that successful enterprise is coming to an end, not because we want it or because anybody else doesn't like it, but because the march of events is taking the props out from under, and it makes very little difference whether you have a hundred, a thousand, or millions, it isn't going to be long. Then you can have the grinning satisfaction of saying, "Well, sucker, Homo Sapiens Americanus!"

A man on the train coming up here said to me, "Mr. Scott, I have been with one corporation 12-1/2 years, but I have recently decided I can't take it." "Why, that is astounding. What is the matter?" "Well, under normal conditions it would be all right. Under these war conditions, there is just no sense trying to make money."

Let's review the war program for a moment. General Hershey, Director of Selective Service, issued a statement that we need 13 million in the army -- including the navy, marines, and coast guard. It will probably be closer to 15 million. Fifteen million Americans who will have to surrender private chiseling and don uniforms. Fifteen million Americans for whom the United States will have to assume economic responsibility: food, clothing, shelter, transportation, and health.

An armed force of that size will require 32 million in war production alone, plus 32 million in necessary national services. That is 64 million humans for the entire operations of the country -- 79 million Americans dependent on the Government of United States. There has never been a greater mobilization in the history of mankind, realize that. We in this country never prepared to mobilize anything. Remember the M-day mobilization? What in hell happened to it? The army did a lot of work on it. They surveyed clear across the country, but one thing they left out was they proposed to mobilize on M-day all the productive equipment and still left business intact. So, they didn't do it.

Now, under the stress of war, we are compelled to induct men into the armed forces. The internal situation is so critical that we will have to introduce into the United States a compulsory national service. You cannot move males and females from one location to another location or from one occupation to another by voluntary measures. Now the moment you have introduced compulsory national service, then into the picture must come the assumption of economic responsibility by the government of each and every individual involved in national service -- 15 million in the armed forces, plus 64 million in the home services -- 79 million adult citizens for whom the government must assume economic responsibility.

Now, do you think for one moment that there is going to be any business? Where in hell is business going to operate? It can't. The United States Government will be sole operator of every single necessary function in the United States of America and for its armed forces abroad. Now it isn't a question of worry about what is going to happen to your house or to your bank account. Total Conscription is moving every day in that direction.

Several years ago, the American Legion didn't think that our program was necessary. They thought the country could get along, and it would never be required. The American Legion, at its Kansas Convention, passed in its program the resolution of Total Conscription. To conscript all the resources, business, and males and females. Does it sound familiar? Never forget that Technocracy leads, always has, and the rest of them follow; not because we asked them to, but because they can't do anything else. Technocracy's tactics over these last ten years have been dirty, very dirty. We never try to coerce. We only told you what is going to happen. We didn't knock you downstairs, not at all. We tripped you on the top step and you fell down the rest of the way yourself. You see it happening in your community, and it is happening across the country.

Now we are worried about farm labor. We want farm labor differential written into the Farm Parity Act; but farm labor has already left the farm. Eighty thousand tons of sugar beets unharvested; wheat piling into school houses, barns, houses, boarding up the windows and pouring the wheat into the chimney. Technocracy told them in Canada that *would happen. It did. It is* happening here. In Kansas, they are proposing to fill the Governor's mansion. Well, that is the most effective use that mansion will ever have.

This organization predicted that the day would come when the United States would mine New York City for its metals, did it not? There are 9,000 buildings marked for demolition for scrap.

They are pulling down a 14-story building. What a civilization! Remember that those things went up because of our genius of successful people.

Just as today, we are short of rubber. Although rubber originated on this continent, no Asiatic saw it until it was discovered here. We permitted rubber to be developed, to be controlled by foreign countries. Although the life of this country was dependent on rubber, 90 percent rubberized on wheels, we permitted the Dutch and British to be the greatest rubber producers in Java, Malaya, etc. We can produce all the natural rubber we need from Brazil, Venezuela, to Mexico, without going to other plants. The Soviet Government, the largest producers of synthetic rubber, presented its process to the Government of the United States free-of-charge. Has it been used? No. Why? Because the Soviet Government presented its processes, techniques, and manufacturing details to the Government of the United States and had forgotten to present the processes to private business in these United States. It is a fact. One damning indictment after another.

Here we are at war, and we haven't declared on France. Vichy France is shipping its people to work in Fascist war plants in Europe. We cannot take over Guadalupe, Martinique, and Guinea. We must admonish them and slap them on the wrist. What kind of a war is this? When the Russians are compelled to retreat in the face of superior forces, do they leave a city intact? No, they leave it in ruins. That is <u>total</u> war. When Bengazi and Libya were taken, did the British destroy anything? Did they destroy Malaya and Penang? Not a bit. That wouldn't be proper. You had to leave it to the enemy to enjoy.

When we retreated from Manila when the Japs moved in, their headquarters was the Army and Navy Club in Manila. We forgot to destroy it -- or we didn't have any concept of total war. Were any plantations in Malaya destroyed? No. It took too long to burn rubber trees. What are we? All damn fools? They could have used a strip of dynamite on each side of the tree and wiped it out of existence. Any kid could do it. The rubber companies suspended dividends, and when this is over, they will be resumed, and there will be little loss in rehabilitation. It is their property. It takes eight years to grow a rubber tree, and you mustn't destroy property.

Well, is that the kind of war you are going to fight? The enemy isn't going to fight that kind of war. It isn't being nice about it. The Germans came over Great Britain and sailed down into a street and machine-gunned the people. Well, it's war. But when the RAF flew over France, it mustn't shoot the French people. There are orders that you mustn't bomb a train unless at the same time that train is a troop train. How are you going to distinguish whether it is a troop train or not? Are the Germans going to write it on the roof for you? That is the kind of nonsense that is going on.

In the Dieppe raid, there were 67 percent casualties -- mostly Canadians. Did they use bomber airplanes? No. They thought they were going to sneak in on rubber shoes. We may be dumb, but the enemy is not that dumb. Dieppe is only 60 miles from the coast of Britain. There are bomber bases which could have sent 150 bombers in at least three round trips, and there would have been nothing in Dieppe. Was it done? No. Dieppe held up -- as an example of the impregnability of German defenses. Well, it is peculiar that we know here -- or anybody that has a map of the French Coast -- that it is not hard to get to. You could drop 50,000 bombs and there wouldn't be any German batteries left -- but you <u>mustn't</u> flatten a French town. There is something peculiar about it. You may think the Frenchman will revolt. They are like hell! The few French left who have any idea about opposition are either dead or those remaining are insignificant; in other words, we are not facing facts at home or abroad.

Russia has the most gigantic trained manpower on earth. Russia doesn't need manpower; they only need tanks, trucks, and planes -- need them desperately. Did we send them? No. We sent her Wendell Willkie! No wonder they got a cold reception in Moscow. In the last war, the Russo-German front over the entire period that the Russian army was fighting, the Germans were losing over 2,000 of their army a day. In this war, the only real large-scale fighting is being done

on the Russian front. All the rest are desultory defensive action. Regarding the argument of a second front, you can say you are in favor of only one front -- the Russian front. That is the only place to do a job, isn't it? Now you don't have to like the Russians -- nobody is asking you to be buddies -- but they are doing a swell job. Understand this, if they turn those Germans back at Stalingrad, they will turn them back alone; and if they turn them back alone -- and this is what is bothering Washington and Britain, they won't need the rest of the United Nations. We can't blame them. You can hardly expect a nation of 196 million to respect the Honorable Winston Churchill, for the treaty Russia and Britain made in May did guarantee a second front. That is in the treaty, but when the Anglo-Americans met in London, there were no Russians there and they decided not to do it this year -- without telling the Russians! You can't blame them for getting sore. Suppose that 6 million men and tanks invaded this country and advanced 700 miles into the United States? I wonder if you would do as well as they have. We would still probably be fighting about the Farm Parity Bill, or about getting time-and-a-half, or of conscripting married men.

When Technocracy proposed Total Conscription, it was too drastic. It would never come in our time. Well, it is sweeping across Canada, too. You will see it in Canadian papers from coast-to-coast. Funny how these Canadians do something first and we follow. They have up to date. We have to inevitably. We cannot move the thousands upon thousands that will be required to move from one location without it. We have to put every American on the same basis. Well, if the United States does that, it has to take any property. They will issue a United States Certificate for the hotel, apartment, factory, plant, or your bank account and safe deposit boxes. It is not transferable, and they won't do you any good until six months after the war is over.

General Motors' executives, along with others, were at a private home a few weeks ago, and one prominent man said, "You know, the way things are going, I wouldn't be surprised if the S.O.B. in Washington put in Technocracy. Just like him to do something like that."

Another man said, "We have to be prepared for drastic changes, and if the public is for it, you can't fight public opinion. If they demand Technocracy, we would have to bow to superior forces, even have plants taken over."

"It wouldn't be so bad, at that. We would have our personal funds, our bank accounts."

An engineer present said, "Oh, no, you got it all wrong. The day that some man in uniform came into a General Motors plant, took it over, and enlists everybody, at that same time someone would freeze your bank account and safe deposit boxes too."

"Why, we have been calling the wrong man a S.O.B. That S.O.B. of a Technocrat will accomplish in 24 hours what took Hitler and Mussolini twenty years to do."

Now comes the payoff. The chief engineer said, "Well, why not? He is one of our boys, isn't he?"

They see the handwriting on the wall. The head of the National Manufacturers Association came into CHQ, believe it or not. The only corporation we haven't had in there yet is the United States Chamber of Commerce, but it won't be long. What they are worried about is how the public is thinking. Plants across the country are showing Total Conscription leaflets on their bulletin boards, with a nice little hand sign above showing if it's good enough for the boys in the army, it is good enough for the rest of us. The manufacturers are getting worried, because if it gets to be popular, you are not going to be able to fight it.

The other day in New York -- Thursday to be exact -- on the scrap campaign kids were told that if they brought in a hunk of scrap, they would be admitted to the baseball game and to deposit their scrap in a spare lot across from the stadium. Twenty thousand kids showed up, and 75 policemen tried to stop them and got hit with all the scrap. Fourteen of the policemen lost their

clothes and the police went down. In the end 20,000 kids were in the Yankee Stadium. In other words, don't start anything that becomes a mass movement. If you do, you'd better get the hell out of the way.

Total Conscription isn't going to hurt anybody. It is the only way we can win this war. We are not winning it now, understand that. We are not going to win if we keep up this damnable nonsense. Conflicting private group interests and everyone going their way and putting their interests ahead of the nation. It cannot be done that way. The entire country will have to organize on an efficient plan basis. Take the plants in Detroit. The machinery remains in the old position, then they try to produce war goods. That is a fact. Labor organizations, of course, think we are anti-labor. George Selles of IN FACT accuses Technocracy of being anti-labor. Labor and liberal leaders in the United States were all in favor of Technocracy's plan to conscript wealth, plants, and machines, but when we also proposed to conscript labor unions, they were "agin" it. What is the matter with the labor leaders in this country? They are as dumb as the corporation leaders, are they not? They must be, because they are receiving somewhat similar salaries. Labor leaders conceive themselves as bigshots and think in the same way as the corporation leaders.

One of the top officials said Total Conscription was all right, but if he made $25,000 a year, would Technocracy take that away, too? Petrillo, head of the Musicians Union, gets a huge salary, plus a $16,000 house in the bargain. Your average labor leader is a piker. Yet labor is fighting Total Conscription. The only opposition that organized labor can offer to the fascist conscription of labor is Total Conscription. It is the only thing they can fight it with. The CIO came out with equality of sacrifice and a limitation on incomes of $25,000 a year after taxes.

The farmer wants higher prices for his commodities, and you can't blame him. A combination of prices, profits, and wages is spiraling upwards; so is your cost of living. It is going to be rather difficult for the average person to eat decently this winter. It is becoming a problem. The United States Government will be compelled to open public feeding establishments, just as they are being compelled to open nursing centers and establishments for female employees to take care of their children. Why not? It is our government, is it not? It is our country. Why shouldn't it be organized efficiently?

The Alka Seltzer program was interviewing some executives and managers of the Air Cobra plant in Buffalo the other day, and one of them proclaimed, "The Air Cobra was the finest constructed plane for what it was built for. It was proven all over the world. True, the Japanese went to higher levels, but just let those Japs come down to our level and we'll lick the hell out of them!" What kind of idiocy is this? What is the Japanese Zero plane? What is its engine? They were designed right here in the United States.

Just as we shipped the Japanese and Germans scrap, oil, nickel, and other war materials eight years previously. Remember, Technocracy was the first organization -- back in 1933-34 — to protest the shipments of scrap to Japan, Italy, and Germany. Did we stop shipping to them? No. It was good business. In 1937, we shipped over 22 million barrels of petroleum to Japan, and now we are getting it back. It is hard to realize that, but our boys are shot down with materials that probably came from here.

Our men in the armed forces are better fighters, better trained, but unless they have the best equipment in the world and get it fast enough, that won't do any good. Remember that in a technological total war, individual heroism does not count. You could be a hero in front of a tank but not for long. This is a different kind of war. It is a war in which every man, woman, and child is involved whether you are in uniform or not. We have to realize we are fighting that kind of a war.

The situation in the Solomons and New Guinea is not too nice. The United Nations from Hong Kong on has been a series of defeats, retreats, and disasters. Let's hope the next six months

are not like the last six months. We will have to plan for it, and we are asking every Technocrat to carry into his plant, factory, PTA, or anyplace else the message of Total Conscription. Don't be backward. Make it a fighting issue, because it is a fighting issue. Carry it into anyplace, into your plant, etc. Don't think you are going to be fired. What of it? How long can you stay fired? Not very long.

This area is the biggest industrial area, and you have to be a militant ambassador of this organization. You don't have to be afraid of anybody, because you won't be out of work long. But they are not going to fire you. You see sailors and others come in with their shirts stuffed with Total Conscription leaflets. Why, just the other day, the Engineers Corps of the United States, based near Persia, passed a resolution for Total Conscription for the folks back home. It came through the censorship. Funny, isn't it? Well, that is the way they felt about it. We have 5 million in the armed forces today, and when they get 13 million in, do you think they are not going to have anything to say about it?

Well, I might as well tell you the latest Communist attack on Technocracy. The Communists say that the United States Army is behind Technocracy, that the United States Army is using it to put a military dictatorship in this country under the guise of Technocracy. The United States Army has a job to do. It is not bothering to play tricks on the public. Neither is Technocracy, but if the United States Army is behind us, well and good. We have never had a disagreement with the Army or Navy, and in fact, both of them seem to appreciate what we are trying to do. Technocracy is the first organization to propose the base pay for the armed forces. The only thing it didn't do was to raise the maintenance -- what we also wanted -- but they will. You will also notice that we wanted the government to take over the Galapagos Islands. The United States will sooner or later. We have been in the position of a minister without portfolio.

The situation in the very near future will become more involved. There will be food rationing and transportation rationing. You can see the signs on the wall, but reducing the motorists to 35 miles per hour is some more political nonsense. It won't cure anything. The cars are built to run faster. Thousands are living distances from their work. If they are limited to 35 miles per hour, it will take several hours to get to work and back, and you can't keep up with terrific overtime. There is only one way to solve the situation, and that is to take over all the motor vehicles, passenger and trucks, and conscript them, and assign a sufficient number to each plant or each area and operate both day and night and not bother individuals about the purchase of gas, tires, and costs of upkeep. That will also stop all black markets. It will also provide a surplus of cars, so you can junk approximately 12 million for the scrap pile.

For instance, in Detroit and Cleveland and other large cities, we got out a map of them and marked off a number of blocks and counted up the number of stores in a retail district, say, four blocks. Why should you have all those stores? They are a mess. Why not have one store of each kind in each four blocks, and no matter where you live in the four blocks, one truck driver could deliver the morning paper, the milk, cream, cheese, baked goods, etc. Well, what is wrong with that? The only thing wrong with that is that the trucking companies will be put out of business and the unions will holler. Well, we can have grandmother drive the truck and have somebody else deliver the things out of the truck. We have grandmothers working in plants.

Now this mobilization will require the mobilization of between 13 to 15 million women. There were quite a number of women in the last war, and the boys coming back found their places taken by women. In this war, they are going to find that their job isn't even there. The place where their job used to be will be a different kind of place, and a woman is going to run it. Plants on the Pacific Coast found a way with women -- furnished them with uniform outfits, moved in beauty shops right into the plant. Well, here is the picture of the changes that are coming.

We have to realize that as an organization we stand out preeminently in our diagnosis and analysis of the physical conditions of this country. Technocracy has only one program; namely, let's win this war! If we don't win it, there is no use thinking of postwar problems. On the

other hand, if we do win the war, Technocrats alone know what kind of postwar world there will be on the continent. As for the rest of the world, we are not so much interested in them, because they have to find their own solution. We can find ours here. This can be done, but it requires a militant effort on the part of every Technocrat everywhere. Whether he is on the job, in church, or meeting -- wherever he goes. You might just as well practice and become an organizer of one, if there is only one. It isn't going to hurt you.

Clothes will have to be rationed in 1943. Among that will be shoes; so, if you haven't got more than one pair of shoes and if you have the price, you better buy them, but buy something that will last. And don't worry about trying to buy nylon stockings. It will probably be rayon, but the legs will be just the same inside.

We have tried to give you something to think about. If you have any questions, give me a few mintues, and I will come back and try to answer them.

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PUBLIC LECTURE
HOWARD SCOTT
LOS ANGELES, CA
NOVEMBER 26, 1942

There is a concept in this country, promoted and fathered in part by our educational institutions and partly by our laissez-faire economy; namely, that peace was a normal state of human economy. Nothing, of course, could be farther from the facts.

Since the year 1600 B.C., there have been less than 350 years of peace in the world; so, peace is abnormal behavior of the human economy, and war is normal. Kind of upsetting to those nice, kind people who never thought we had to prepare. Naturally, with that kind of a doctrine permeating our social behavior, and, coupled with the fact that the United States has had only 28 years of warfare in its existence, we were naturally led to believe that we never had to prepare for anything beyond next year's expansion. Always in our economy, in our past history of 166 years, we had been an expanding economy. We could always cover last year's mistakes with this year's expansion and credit our individual genius and ability as being the cause of any success. No wonder commercial enterprise touted itself as being a particular reason for all progress in the United States, when in actual fact progress in this country of ours has resulted from a peculiar process -- a fortuitous combination wherein certain numbers of our citizens through their own initiative have fought their way economically and physically into an impasse; and having arrived in that impasse have called upon their government for aid. Our government invariably, as a matter of political expediencey, rushed to the aid of that particular group of citizenry, thereby resulting in social progress. Yes, I know, the facts are a little hard to face, but nevertheless that is a correct analysis of our past progress.

The world has fought many kinds of wars, but all the wars up until yesterday were fought by a human toil and hand-tool economy, and, up until the last century, the armies of those human toil, hand-tool economies fought with hand weapons with the slow mobility of infantry and with cavalry. Probably the fastest troop movement prior to the mechanization of technology was that of Ghengis Khan in the early 500s, but all of these were fought from a hand-tool and human toil economy, always with the concept in view that the army could live off the territory of their enemies. Julius Caesar, with his Roman Legions, could not have conceived of or fought a total war, although he fought many miles from Rome.

In Napoleon's day, one man at home in the home economy could maintain two soldiers in the armed forces of the Grand Army. Our 9,970,000, or approximately 10 million, entering our armed forces -- what does that mean in the home economy? That means an organization on the home front of 34 million employed citizens in the war production of the United States, plus 30 million employed in the consumer service goods and services, for a total of 64 million. It is time that we realize that no nation ever before in history was ever called upon to face a problem of this order of magnitude. Napoleon's problem was a peanut-sized problem compared to this. So was any country's problem in the last war, and please do not try to confuse the issue by saying that Great Britain or Russia or the united nations or the belligerent fascist powers in this war have a similar problem. They have not, for the simple reason that the quantities and the order of magnitude of the rate of flow in United States has no comparison with any country in the world. In order to mobilize 64 million human beings, which is our problem here, and the concomitant technological equipment, resources, distance, climate, and agriculture, calls for an integration, the like of which has not been envisaged by any peacetime economy in the history of the world nor has it been attempted by any wartime economy. It is all very well to say that we are attempting to do this today with priorities, price ceilings, and the WPB. An attempt isn't good enough. All that priorities mean is that there is a competition between all the units engaged in consumer goods production and services and those engaged in war production and the government services and the army and navy included; in other words, it's a nice hell of a mess that you think you're going to magnify private enterprise and all the lousy chiseling from hell to breakfast and think you're going to get a competent, efficient economy for war production.

PUBLIC LECTURE
HOWARD SCOTT
LOS ANGELES, CA

11-26-42

We've always had bigger and better business. We'll run into this war, the first total war in history -- no other nation has ever fought one -- and this is the first time we've fought one. We cannot organize on the general economy front by permitting the individual farmers, because they are short of help, to slaughter off their dairy cattle. If they are short of spare parts for their equipment, when there is sufficient equipment in the agricultural areas of the United States to operate the farms, all necessary farming can produce not only agricultural products for our own consumption but also for our allies abroad, plus sufficient production to use as an economy weapon abroad. But it cannot be done if we insist on operating each individual farm by itself as a private enterprise. What we are driving at is let's take a block of tillable land area -- leaving out the great ranch areas -- of 25 miles by 25 miles of individual private enterprise farms, and then we're in trouble with the big farmer and the big dairy farmer who men have left -- farm employees were never high paid, so they naturally have already migrated to the shipyards, the aircraft plants, munition plants, and all other war industries, and to scream about it now is to attempt to close the door after the horse has gotten out.

Dairy herds are being slaughtered in this state and many other states, and you're witnessing milk shortage in several localities in each state. No attempt is made to operate agriculture as a planned unit, because planning would be bad for business; so, we slaughter off the best dairy herds in many states and increase locally for the moment our supply of second-grade beef. But face the long-term proposition, we're running into greater and greater difficulty. If we, as a nation, were to introduce technological control and total conscription, we could pool the farm equipment in 25 by 25 mile blocks, have sufficient farm equipment to operate all arable land in that area 2-1/2 times, and have five times the total equipment right there with their scrap. All you've got to do is take a pencil and figure it out. You don't have to be a technologist or an engineer. Just have an occasional lucid interval and a pencil.

The same thing applies to our transportation system. The rationing of gas, tires, and oil does not cure transportation and a shortage of essential transportation materials. We're leaving it wide open. Why? Because we're permitting the individual citizen to own the truck and the car, and we're compelling the individual citizen to purchase gas, tires, and oil and spare parts.

Now you know what we Americans are -- we're the smartest lot of "ginks" on earth, and any time that a natural scarcity occurs, or is enforced by political legislation, business speculation, or war emergency, every American that has anything on the ball will immediately go out tomorrow morning at 7:00 a.m. and do his damnedest to bootleg that scarcity. Don't blame the average American -- he's been brought up to it. In the bootleg days of liquor, they only had one thing to bootleg, but now look at what we're going to face: bootlegging in every single field of human consumption -- unrestrained, high wide and handsome! Why, back east, the crooks wouldn't even think of counterfeiting money any more today -- they've got more sense. They're counterfeiting ration books, and when you get it out here, they'll do the same thing out here, because the percentage of smart guys is about the same across the country per thousand of population -- and you've got printing plants out here, too.

It can be handled, but it can only be handled by conscripting all automotive vehicles -- trucks and passenger cars, and reallocating those cars and trucks in uniform defense transportation units, those for industry and those for social population in regional divisions. Then no individual citizen will buy gas, oil, tires, or spare parts -- no individual would be involved in the trade or commerce or supply of transportation, and only until then will you get efficient transportation

Can it be done? Technocracy contends that it cannot be done under the present rules of the game. There is a way to do it. There is an equality of sacrifice to which every American would gladly agree to, but only when he knows that every other American is put on the same basis. So long as every American feels that it is the devil take the hindmost, why, he's going out to get his first, and rightly so, he is entitled to get his first if he can get it. But remember that when the men enter the armed forces of our government, they surrender their prerogative of private chiseling and the little

techniques of competitive private practice, and the United States Government assumes complete economic responsibility for their food, clothing, shelter, transportation, health, and even recreation.

Now, when we face the prospect of mobilizing 64 million human beings, the question that is bothering everybody today: Can it be done voluntarily? On that scale of quantities, no. You cannot achieve the mobilization of that number of millions of human beings by any voluntary process whatsoever. It will have to be done on the basis of compulsory national service, but here comes the nigger in the woodpile: You have your National Association of Manufacturers, the United States Chamber of Commerce, and others howling very discreetly for the conscription of labor -- not total conscription but conscription of labor. They would like to see labor conscripted in this country so that private enterprise could make continuous beautiful bountiful operations for more and greater profits with conscripted labor, and labor couldn't squawk at all.

Bear in mind that every fascist nation in this war has conscription of labor, but no fascist nation has total conscription, because total conscription and fascism would be impossible. Under total conscription, every person in the nation capable of service would serve on the basis of national service on exactly the same basis as those in the armed forces; namely, the same rate of pay, the same subsistence for dependents, the same economic guarantees for food, clothing, and shelter. Well, why not? This is everybody's war, and we're all in it, and there is only one way to fight it efficiently: Leave the military fighting to the armed forces, but the home front has to be as efficiently organized as our military forces; and if they are going to conduct an internal internecine strike of fighting for higher wages, higher prices, greater profits, and more spoils, the armed forces will be put to it in some very sorry predicaments. I don't have to convince you of it; you know it.

(Words missing) ... production capacity. We have the same record in aluminum, magnesium, and every other field, but that was consistently denied. We could quote Stettinius for you, but then they moved Stettinius to London. That's what happens when they make a mistake in big business.

Are we going to continue the same haphazard guesswork governed by the fear of certain corporations that they will have overproduction capacity after the war or are we going to put our entire technological equipment, personnel, resources, and agriculture on a scheduled, planned basis of operation so that the armed forces can know definitely what they can get every thirty days from then on?

... Of course, most women today are still buying dresses, hats, and a lot of other things; well, it won't be long, sister, because we'll get you in regulation dress very shortly. Regulation dress for male and female citizens of the United States will have to be an accomplished fact. You can't go through the energy of continuing to produce the thousands of different models just to have a sales point. My God, what does sales and private profits got to do with producing the goods to win this war?

You haven't gasoline rationing out here yet; you will shortly, and when you do, you'll notice a very peculiar effect. Salesmen -- insurance, real estate, and all others -- can't do very much sales work on four gallons a week; well, not that they're any good in wartime anyway. And why have salesmen if you haven't anything to sell?

On the eastern seaboard, where we've had gasoline rationing for some months, it's very interesting to observe the effects. Second Avenue and 47th Street in New York City, prior to rationing, on a Sunday afternoon, you took your life in your hands attempting to cross that street against the light -- three lanes of traffic moving in each direction at high speed. Now you can walk out there about 3:30 in the afternoon, look to the right of you, and, yes, there's one coming

about seven blocks away, and to the left of you, yes, there's one down there about six blocks away. In fact, you can hold a parliamentary discussion on foreign affairs while crossing Second Avenue on Sunday afternoon today. Well, it's had its effect, and it's going to have plenty more. The retail stores are folding -- like the Arabs -- and silently stealing away. They're not advertised in the report of bankruptcies; oh, no, they just folded prior to that. You can see it block-by-block in New York. Of course, here in San Diego, you're enjoying a war boom. You're all getting rich with your snoot in the trough and all four feet included.

Only a few of the Child's Restaurants -- a couple on Broadway -- are open at night anymore. The others close down at night. It's so dark that you can't recognize anybody more than twelve feet away from you, and so the New Yorkers do not go down town at night. There's no window shopping unless you have a flashlight, because you can't see in the shop windows; so, there's no use in running the shop windows anymore.

Advertising, of course, is falling. Why advertise if you haven't anything to sell? The merchants will discover that very shortly in San Diego. Their inventories and their new orders are falling, ladies and gentlemen, whether you like to believe it or not. Technocracy always knows what's going to hit you next before you do.

A lot of rationing is going to come in. As your rationing comes in step-by-step, the plight of the retail merchant will rise. His fixed charges are , while a great number of goods on his shelves are completely out, and the total that are left are reduced in number. Remember, that American business has been founded on volume turnover. The volume has been cut to pieces, but his fixed charges go on today. Now, of course, if the retail merchant had any brains and real sense, he would advocate total conscription, because in that case the United States Government -- the Treasury Department -- would issue him a Treasury certificate for his equipment, his inventory stock, and take him over, and he wouldn't have any more headaches until after the war.

It's amazing that here we've found ourselves in the midst of the first total war in history simultaneously with that of a world revolution, and that revolution is on just as much here at home as it is any place in the world. It's not the same kind of a world coming out of it. It's a totally different one, but regardless of who earns what in United States, there's only one job that this country has to do first, and that is to organize to win this war here and now as fast as possible.

Of course, Technocracy's record is rather unique. Some years back, before this war, we published all the bases that this continent would have to have in case of war long before we ever traded any destroyers or any lease-lend deals, whereas the Technocrats, with a great deal of amusement at it, watching our Department of State fill in those bases in red on our lithograph maps. The State Department invariably does its best to catch up. We don't mind that, and eventually they will probably get there. Just as when we specified the airbase at Hamilton Inlet, Labrador, but did not specify on the airbase at Newfoundland, although we specified St. Johns as needed. Well, they would have found it out. The terrain and the visibility were not suitable in Newfoundland and are far better at Hamilton Inlet. They can generally tell you anything you want to know beforehand, but if you have to learn it the hard way, don't blame Technocracy.

Just as in 1935, Technocracy protested in literature and in its addresses from public platforms up and down this coast and clean across the country . In 1935, in the spring of that year, did the The Pacific Gas and Electric. the Californians, Inc., the Associated Farmers, or The Bank of America of this state ever contest the shipment of a single pound of scrap to Japan? They did like hell! No, it's good business when we ship 22,734,000 barrels of petroleum from this state in one year to Japan in 1940 -- damn good business. Our business methods have brought us a lot of trouble and to organize our internal economy on the laissez-faire policy of me first and the devil take the hindmost, we'll be headed for a form of near anarchy.

We cannot introduce conscription of labor alone in this country, because that would be the imposition of institutional fascism, the very thing we are fighting against. We cannot subscript the physical effort of the United States to create greater profits and greater prices for private enterprise. You can pass that law, but you cannot guarantee production under that kind of a cock-eyed system. You can ask the American, far and wide, and he'll give everything he's got, night and day, if he knows that everybody else is in the same boat and we're doing it on the level for the first time in history.

We can organize our transportation, our agriculture, and our distribution all on the basis of total conscription for the basis of the war and six months thereafter. Distribution in the large cities, that is, the retail stores, in Los Angeles, Chicago, Cleveland, Detroit, and New York ... it's very simple how it can be done. It's a wonder no one has throught of it before. Take an area four blocks wide by four blocks long -- 16 blocks. You simply can skip and consolidate all your delicatessen stores in that 16 blocks into one, groceries, and every other kind into the center section; therefore, citizens in the 16 blocks only have to walk two blocks to their distribution center. The reduction in New York City is a reduction of 28 to 1. You would have equipment, personnel, and space left over, and ladies and gentlemen, we are going to need space and we need it now in a hurry. We have unemployed in many places, and you'll have to move the equipment to the unemployed where there is habitable space, just as we'll have to move personnel from where they are now to new equipment and new installations. You cannot expect the average American, male and female, to be picked up out of their positions today and moved under private enterprise surrendering their seniority, social security, and having to work at a lower rate. That cannot achieve it

HOWARD SCOTT
PUBLIC LECTURE
MASONIC TEMPLE, DETROIT, MICHIGAN
DECEMBER 6, 1942

IF THE AUDIENCE WILL RISE, WE'LL KINDLY OPEN THIS MEETING WITH THE PLAYING OF THE NATIONAL ANTHEM. (A SOLO TRUMPET PLAYS THE NATIONAL ANTHEM)

There has been a current belief in our nation for over a hundred fifty years that peace was a normal state of human economy. It has been fervently believed in and propounded. Nothing, of course, could be further from the fact or the truth. Since the year 1600 BC, the world has enjoyed less than 350 years of peace, or in over 3,500 years, less than 10 percent of that time has the world been at peace; so, therefore, peace is an abnormal condition of human society, while war is absolutely and perfectly normal, contrary to all the nice preconceptions of successful, nice people.

We of United States, of course, have been more or less fortunate, depending on how you view it, that as a nation we only have had 28 years of warfare in our history. We have had an expanding economy ever since the Revolution, but a greater expansion since the Civil War.

There have been a good many wars fought in human history, but for thousands of years, all the wars were fought with hand weapons and with foot soldiers, the armies coming out of human toil, hand tool economies. They have been fought for a good many reasons, but you could sum them up; namely, God, Greed, and Gold.

This is the first total war in human history, and the first total war could not have been fought unless the technological development had reached the stage that it has.

Julius Caesar advanced his legions over a considerable expanse of territory, but he could not have conceived or have thought either a world war or a total war. Now all of the economies that produced their physical wealth with human toil and hand tools, their armies invaded the territories of the enemy and depended for the maintenance of those armies upon what they were able to acquire by military conquest in enemy territory. But in fighting a technological war, the scalar quantities go beyond anything in military and social history.

In Napoleon's time, one man at home in the national economic structure could support two of the armed forces in the field. The time of the Franco-Prussian War, the ratio changed to 1:1, and by the World War, the ratio had changed again to where it required three and a fraction at home to maintain one in the armed forces; but remember in the World War they were only beginning to use technological equipment. In this first total war of human history, it is a technological war, being fought, it is true, by men as it has always been fought, but with the addition of equipment unknown hitherto in the history of man. The firepower is immeasurably higher than the firepower of the World War. The distances covered are around the globe at higher speeds and greater loads.

Now to conceive of warfare of a human toil, hand tool economy where your armies went out to meet the enemy with hand tools and weapons was one thing and entirely different than what we face today. Now let's view the picture that we have here at home.

Our Selective Service announces total army totals at present of 9,700,000 to be attained in the very near future or in round numbers, 10 million. The mobilization of 10 million men into the armed forces of United States will require a mobilization of 34 million employees in the production of war implements alone, plus 30 million for the production of civilian consumer goods and services, or a total of 64 million mobilized on the home front.

Never before in human history has any nation ever had to mobilize the entire personnel, resources, and equipment of its economy to maintain its armed forces in the field, and never before in human history has any war been fought with the tools of social change. The bows and arrows

or the primitive guns were not tools of social change, but when you fight a war--a worldwide war--with technological equipment, you are fighting that war with the implements of social change itself, because technology is the greatest revolutionary fact in all human history; and until Americans realize it, they are behind the eight ball.

We as a nation cannot mobilize 64 million human beings by any process of voluntary agreement or cooperation. We might like to think we could, but we immediately run into the conflict of group interest, pecuniary gain, and our national condition. Remember that since the Civil War, or in the last four generations, we in United States have graduated more morons into millionaires than all the rest of human history has done. Rather charming fact, of course, and we pride ourselves on our individual success. Now it's going to come about that this success of the successful, nice people -- the more successful you have been up to now, the dumber you will be from now on out. A lot of you will realize that in another 90 days of rationing. It takes about that long to drive it home.

In spite of our conditioning, we are going to have to face the hard reality of the world we live in, and our conditioning has ill-prepared us for the social transition that we're in; because not only are we engaged in fighting a total war, but we are in the midst of a world revolution simultaneously. We have been loathe to admit that we required any change in our internal methods. We as Americans were the smartest people on earth individually. We could devise more ways of chiseling a sucker than all the rest of the world put together -- and we're proud of it! Well, why not, so long as the suckers were there to be trimmed? And they were there up until yesterday. Now they turn out to be Mexican Hairless and they can't be fleeced anymore.

When you withdraw 10 million able-bodied men, it reduces the purchasing power of civilian life into the armed forces. They are no longer in the competitive practices of private enterprise. When you abolish thousands of articles that hitherto have been instrumentalities in the world of trade, then you begin to affect the entire economic structure. Many of you have probably felt that we could fight this war and lick the Japs or anybody else with our hands tied behind our backs. Well, it's very nice to feel that way, but we'll have to have our hands in front of us and we'll have to be entirely mobilized.

Look over audience after audience, and what do you find? Your females are still wearing all the variegated types of style and fashion. Well, keep it up girls, you won't be wearing it long, because they're going to standardize your clothes for you. Clothes will have to be standardized for civilians. Well, why shouldn't they? The boys in the armed forces have standardized clothes. After all, we can go through one of the modern aircraft plants, where there are thousands of women working, and you find them in a nice outfit of blue rayon slacks and a blue jacket. Well, the transition is marvelous. The lady in the blue slacks doesn't have to wear one of those foundations or underthings, no brassieres, and no stockings. She's solved that problem. Besides, the slacks are made to fit, you know, in a matter of figure, and for the first time, the male can see what he's getting. [Laughter] Furthermore, the gals like it. Well, don't think that they're going to go back to the superfluous combination the females used to have to wear, because the other is much more efficacious in the, let's say, the feminine campaign. Well, why not?

The male's clothing will also have to be standardized; of course, he always was kind of second rate anyway, because no male that wears a necktie has any integrity anyhow. Oh, stop and think it over. There's no law on the North American Continent that compels any male to wear a necktie. The only reason that a male wears a necktie is for the simple reason that if he went without one, he would lose his social standing. Well, he has to imitate all the rest of the morons -- integrity being the rarest thing in our Price System. Of course, if you only have a few thousands or a few million, you can't afford it.

Well, we're headed into a lot of things. How many people in this audience -- just to have some fun here -- how many of you are in the retail store business? Put up your hands -- let's see. What? There's a few here. Any retail gas station dealers in the audience? You're not

going to live long as a gas station operator, and we can expect a mortality list of over 40 percent. Now your vim, vigor, and vitality and your private initiative aren't going to help you very much. You've always depended upon being able to think up something new to chop off the corners a little. That isn't going to do you any good.

We face a distribution problem, a shortage of personnel, and a shortage of equipment. We could have adequate distribution in United States, thinking from the standpoint of the retail store, on a 24-hour basis, but not if we attempt to run every single privately owned store. If we were to pool all the stores in four blocks with all your delicatessen stores in sixteen blocks into one in the center, all your grocery stores into one in the center, butcher, and so on -- in New York and other large cities, that means a reduction of 28 stores to one in your downtown heavily-stored area. We would have plenty of equipment and personnel to operate our stores 24 hours a day. We would also have additional space left over, and the nation requires space that is built, heated, and serviced. We haven't time to build an enormous amount of new space. This is one way of acquiring space and at the same time of acquiring efficiency in the distribution of our consumer goods.

Here in Detroit, you live close to a farming area, but remember the farming problem out across the country is also being hit. The large farmer that had a number of tractors and trucks, his employees have gone to the shipyards, munitions plants, or the aircraft plant, leaving him without any personnel to run his tractors and other agricultural equipment. The large dairy farmer is hit in the same way, while on the other hand, the small dairy farmer with a wife and three or four children of teen-age has gone to work in the war industries and left the wife and kids to take care of the reduced animal life down to one cow, and that is happening clean across the country. They're selling off the dairy herd because they haven't sufficient equipment or employed personnel to operate them.

You have no guarantee of the food situation 72 hours hence in this city or in any other city, because our whole national internal situation is unplanned and undesigned. We have always been living on that nice, kind, Christian basis of Christian anarchy -- the devil take the hindmost, and it looks as if we're going to get taken. Oh, it's a serious situation, but remember we Americans have never had any cohesiveness of thinking, because we never were forced into it.

What Technocracy is doing today is to bring it home to you. You're damn well going to be forced into it whether you like it or not or whether Technocracy likes it or not, and we're trying to break it gently so you won't be too uncomfortable when it hits you.

Right now, nationally, we're in the midst of the greatest boom that the country has ever known. We're all getting nigger rich with our snoot and all four feet in the trough at the same time. Well, have a good time at it, boys and girls, as long as it lasts, because it isn't going to last very long. I hate to disappoint you. The total expenditures of this fiscal year will be $84 billion ending next June 30th. Total taxation, collections, will not exceed $21 billion and will probably not be greater than $20 billion, leaving a total to be borrowed of $64 billion.

The estimates for next fiscal year already exceed $110 billion, while the present taxation program could not possibly collect next fiscal year in excess of $26 billion, leaving an even greater amount to be borrowed, or facing a possible war debt of $300 billion. Well, remember that old army song, "You're in the army now, you can't get rich, you ----, you're in the Army now"? Well, you'll be there very shortly.

Now don't think that your taxes are high -- oh, no. Your present taxes that you will pay next April -- March-April -- are only one half per capita of what they pay in Canada. How would you like to have 12 and 13 deductions from your pay envelope or your salary check a week? They do that in Canada. We haven't gotten to that yet here; we will. Very interesting, isn't it?

Remember, Technocracy has never missed. We have that amusing fatality in our mathematical analysis. We like to see it when it hits you, because the populace of the United States, you know, has never been interested in any other idea -- or let's say that they have never been interested in any idea which did not contribute to the astuteness and acumen of chiseling, and now we're going to be compelled as a nation to get off that bandwagon and to organize the nation into a collective, functional mechanism. It's going to be rather tough to take, yes, but let's look at the armed forces. When anyone joins the armed forces, they voluntarily and compulsively surrender the prerogatives of private chiseling and the competitive practices, and the United States Government assumes complete economic responsibility for each and every person in the armed forces.

Now when it comes to mobilizing 64 million human beings in United States for the operation of our internal economy in wartime, it cannot be done on any voluntary basis nor can we control it by any price ceilings or priorities -- APAs or any other kind of As. It will have to be done on a planned allocation of all materials and a Total Conscription of all Men, Machines, Materiel, and Money, with national service from all and profits to none -- an entirely different thing from what you'd expect. But remember, the men in the armed forces do not have the privilege of profiting out of their operations; neither can they indulge in the nice little tricks of merchandising and trade. They're in there to do a job.

We have to realize whether we wish to have business in this country or victory, because the most important thing we face in the total war is to win it. If we lose this war, the bonds or the securities or that little boom that you're in, you won't have it. You'll be wearing a burlap diaper and have a bowl of rice for breakfast. No, you feel very complacent -- a lot of people do. They think they can make war profits, war wages, and war prices and indulge in war rackets and win the war at the same time. Well, we're telling it flatly and frankly: You can't do it, and the war isn't going to be over by Christmas, either. It's going to be a long, tough fight.

You can make up your mind either to organize this country on the most efficient scientific basis ever known or try to muddle through in the anarchic setup of alphabets that you have now with every unit in corporate enterprise and business trying to get theirs; every labor organization trying to get the same thing; every local political unit trying to get the best for themselves. Well, under the present setup, you cannot blame anyone, because so long as the present setup operates, then get all you can get while the getting is good. That's been our motto and our method for years, but we'll have to face the realism and not evade it. We've been evading things for a good many years.

I'd like to ask you as an audience: Do you think that United States, in June, 1941, that if we'd been invaded by 246 divisions, thousands of tanks and planes over a frontier of 2,000 miles, whether we could have put up the fight and exhibited the solidarity that another country has exhibited? You think we could have put up the fight in June, 1941, that the Russians have put up? Hardly. We'll be able to do it, yes. We've just as good fighting ability as any country in the world, but we haven't got down to it.

After all, the Russians have the greatest trained military reserve of any country in the world. They do not need manpower, but they do need guns, tanks, and planes. Well, did we send them the guns, the tanks, and the planes? Hell, no, we sent them Wendell Willkie! That's the way we approach everything.

Here in Detroit, of course, you pride yourselves on being the automotive center of the world and justly so. But being automotive center of the world, remember you are merchandising automobiles to the sucker consumer wherever you could find him to catch him for a down payment. But isn't it astounding that out of the great automotive center of the world has never come a design other than the commercial vehicle? That your trucks are commercial trucks that you sold and merchandised to the consumer? Same gauge, same design, same construction, when the gauge should have been ten feet wide instead of four eight and a half? When your tanks - same gauge, four eight and a half, should have been ten feet wide? With all the technical brains and production ability

of the City of Detroit, did you ever design a vehicle? You did like hell! You sold them the same old commercial vehicles that you sold to the installment buyer. Business was good business, let's be frank about it. No engineer would endorse anything that's been sold on that basis. It's all right to sell to the commercial consumer, but it was entirely wrong and entirely unsuited to function around the world as a part of our military strategy -- but it was good business.

Well, do you think you're going to meet your taxes next March? And when the taxes are doubled for the next fiscal year, are you going to like it? Frankly, individually, you're not, you know you're not; but let Technocracy propound something that, instead of coming out of this war with over $300 billion of war debt, how many of you would like to come out -- as a nation to come out -- without a dollar of war debt? How many would? Would you or wouldn't you? It can be done and done so simply it's funny, because under Total Conscription, the United States Government would operate every single operation in United States; therefore, there would be no organization other than the United States Government operating anything.

Under Total Conscription, therefore, it would be absurd -- and impossible -- for the United States Government to borrow from itself in order to create a war debt.

Under Total Conscription, every able-bodied male and female between the ages of 18 and 65 not required in the military forces would be conscripted on the same basis in the national service on the same pay basis as the armed forces, on the same basis of clothing, food, and shelter, and health requirements as the armed forces.

Now, those of you who own property, especially those retailers who are going out anyway, the United States Government takes over your property, would issue you a United States Treasury Certificate, non-transferable and non-negotiable, payable in kind or in money six months after the duration of the war. Well, what nicer could you ask for? You'd be free from all the headaches of taxes, rising fixed charges, and falling income.

Under Total Conscription, there would be a moratorium on all debt, litigation, taxes, union dues, and insurance premiums. Let's take a very simple case. A man out here is foreman in one of your automotive plants and has a $7,000 house, $10,000 in insurance policies, $1,200 in the bank. He dies. His will would be probated in the courts in the usual manner, but the estate would not be disbursed until six months after the duration of the war.

Under Total Conscription, everyone would be buried by the same national funeral service. I don't mean the words, but I mean the equipment -- the same type of pine box; therefore, the family of the deceased would be in the cost of his funeral, because relatives would generally compel the state and the friends to put up the money to have a good funeral for the one who had passed away. So, the heirs would be better off under Total Conscription than they would now, wouldn't they? Certain ironic touches to this, you know.

Now we can go on. Try to visualize that every fascist country in the world has conscription of labor, but no fascist country has Total Conscription. There isn't a single fascist country in the world that has <u>Total</u> Conscription. They <u>all</u> have conscription of labor.

Now, labor, organized and unorganized, is facing a freezing of jobs, location, and wages. The only thing labor can fight conscription of labor with is Total Conscription. Naturally, you'll have your National Association of Manufacturers, your Chambers of Commerce, and other organizations pushing the conscription of labor. Conscripted labor in a war program in this country would be beautiful for those who still remained in business, wouldn't it? To have labor conscripted by the Government of United States to make greater profits for private enterprise. Kind of a stinking, smelly mess -- and it <u>would</u> be smelly. It's doubtful you would attain the production, and if the morale of the nation wouldn't go to pieces, because as we have found out across this nation, every American -- at least 99 percent -- is willing to do his bit to win the war, provided he knows that an equality of sacrifice is guaranteed and is a real equality of sacrifice, not this bogus equality of $25,000 a year net income per individual. $25,000 a year net

income per individual amounts to $67,000 a year gross per individual. In other words, grandpappy can have $67,000 and grandmammy $67,000, and they can have eight children with $67,000 each and all be married and their wives and husbands $67,000 a year each. Well, that's swell, isn't it? But the boys in the armed forces are only getting $50 per.

Why not put everybody on the same basis as the armed forces for the duration of the war? Then you could guarantee that there will be equality of sacrifice for the first time. You won't turn out 30-some thousand new multimillionaries the way we did in the last war, but we'll win the war and be in a condition to win the peace, too. Which is more than we'll be in if we continue this method. Many of you feel that all you have to do is go on the way you're going.

Cold is setting in on this city and you have a very serious housing problem, and you have no organization to meet it. If there's continued cold weather, alternated by dampness, you'll be hit, probably, with flu and pneumonia epidemics in this area, believe it or not; and remember that microorganisms are no respecter of persons. So, don't feel that you're holier-than-thou simply because you're in a little better economic position than someone else.

Under crowded war conditions such as these, you may have very serious situations arise. Here we're drafting our doctors and our nurses, and yet we have no civilian planned organization of health operations. We've even grabbed off obstetricians for the armed forces -- we hope the boys haven't got that way yet -- just to show you how serious it is.

Here's every corporation trying to maintain its sales organization intact and its trademarks and all its marketable items. Now newspapers are going to be smaller and thinner -- mostly thinner. The Canadian Government is taking one million horsepower out of the pulp and paper industry in Canada. It's shutting down a considerable number of pulp and paper plants. They're already doing it on the Pacific Coast. Well, why not? What's the sense of advertising if you haven't got anything to advertise and can't sell what you advertise? Must be some advertising people in the house. Well, it isn't their fault; don't blame them. Those 24 sheet boards, you know, the big spread ads, won't be here very long.

As your retail store situation closes in, you'll have less and less items to sell. Well, there was never any sense in the terrific number of retail stores we had anyway, but then everybody competed with everybody else for the sucker consumer and had a grand time doing it. Of course, you won't be as hard hit here in the Detroit area as they are out in, say, southern California where the escrow Indians built one subdivision after another. They were on their way to the Mississippi, but they didn't get there. They have no transportation system worth anything; here you still have. But if you want to see how gasoline rationing is working go to New York and other cities on the Atlantic Seaboard and the change is tremendous. It's only some months ago, before the rationing set in, at 42nd Street and Second Avenue on a Sunday afternoon -- and that was the main traffic lanes of the Queensborough Bridge going down Long Island -- it was suicide to try to cross that avenue at, say, three in the afternoon. But now you can walk out there with impunity and look up to the right -- well, yes, there's one car up there about seven blocks away and down here there's another one coming about six blocks away. In fact, you can hold a Parliamentary discussion in the middle of Second Avenue and 42nd Street at 3:00 in the afternoon. Well, you think it's funny, that it won't hit here. Just wait a while, brother, it'll be here.

A lot of other things are going to come in on you. You have no guarantee of your meat deliveries or your food deliveries or your restaurant service. Don't blame the restaurants and don't blame the stores. They were all in trying to make a living under the old game and it won't work. Now in the New York milkshed, the government is buying all the milk and reselling it to the milk distributors below the ceiling cost, so that the milk distributors can make a profit below the ceiling, and the sucker consumer pays for it.

The Big Five meat-packers want the government to buy all the meat on the hoof from the farmer and the buyer and the feeder-shipper, paying the Big Five packers to process all the meat at cost-plus, and then sell enough meat back to the Big Five packers so that the Big Five packers can sell at a profit to the meat distributors at

a profit at the ceiling price. Isn't that wonderful? Don't you wish you could all be in that business -- the government keeping you there? Yeah, but you're paying for it, each and every American! And you're not feeling it right now, but, oh, brother, wait until next March! And then from then on it's going to hurt more and more.

How do you think you're going to handle it, your national economy? By going down once every four years and putting an "X" on a piece of paper, and throwing some Democrat or Republican out and then having a hell of a good time four years after that? Because that's the way we've done it. You gave very little social thought to what had to be done; you got it off your mind. Well, that's been our conditioning. If we voted for anything, we never voted <u>for</u> anything, we merely voted agin' 'em. Willkie, of course, did have a chance until Dewey got elected Governor of New York. Now Willkie better get over and get a job in the Administration or join the Civil Service list, because Dewey will cut his throat. Dewey did all the hard work for that 1940 Republican nomination, then Wall Street put over the barefoot boy, didn't they? Well, Dewey's never forgotten that.

Well, what do you vote for? Nationwide, we've never voted for any major decision or solved any major problems. We were an expanding economy, in which we could always cover last year's mistakes with this year's expansion. We've always credited that expansion to our own genius and said, "That's what successful private business can do." Well, it's done it. It's finally reached the point to where the old methods won't work. Don't blame Mr. Morgan and Mr. Mellon -- just blame every American that's ever been in business -- all the successful, nice people in our history. They're the ones that have brought us to this sad end. We never could plan anything -- why, it wouldn't be good for business. We never could design anything for national function -- it might rock the boat.

Now we're facing a situation of conscripting all of the manpower, machinery, equipment, and resources, monetary and otherwise, of the nation. Many of you feel that it would be drastic. Well, war <u>is</u> drastic, and we'll have to face that drastic issue. Naturally, certain labor unions feel that they would be in a rather difficult situation. Then a great many of the top flight labor leaders, they've become exactly like high-priced business executives drawing high salaries; so, they're in the same situation as any corporation. Well, the way to handle it is to quick-freeze your labor unions and your corporate structures; simply seal up all the books and leave them there until six months after the war. You don't need any commercial enterprise to fight a war in which the United States Government is your sole operator and your sole customer. Very simple, isn't it?

Under Total Conscription, you'd be better treated than you are now, but you still have that hangover, that conditioning. You feel that you're just a little bit smarter than the guy that lives next door to you.

Let's see what our rationing system leads us into. You remember back in the happy days of bootlegging, when there was only one commodity the bootlegger went for? Now, whenever a scarcity occurs in United States, whether it's an actual scarcity or enforced by business speculation or legislation or wartime emergency, then we Americans, who possess more ingenuity than any other people, we immediately get out of bed -- bright and early -- and proceed to bootleg that scarcity from hell to breakfast right then and there!

Now look at all the things that are going to be bootlegged under the present setup. Why, no counterfeiter today would ever think of counterfeiting money anymore. You know what they're counterfeiting back east for months? Why, ration books! They wouldn't even thank you for counterfeit money -- that's no good -- but ration books -- Ah! And if you don't think it'll be funny, just watch the counterfeit ration books turn up in this area, because in order for the gasoline dealer to get his gas, he has to have coupons to turn in to the oil companies; and the smart boys will come along and suggest how to get more coupons, won't they? Remember we're four generations of successful, nice people. You'll get it afterwhile.

As long as somebody has the time and the money to play at bootlegging, that's swell, but 98 percent of Americans have not the time or the money, and it's too hazardous. Nevertheless, it could upset the whole applecart. We in United States will have to institute government feeding stations, government nurseries for the infant children of our women war workers. It'll have to be done nationwide; you can't depend on the old individual private nursing. No, they will have to be mobilized on large-scale endeavors. There will have to be government distribution.

What do you want? Do you want the same kind of haphazard anarchy you have now -- getting more ticklish every minute -- or have you got enough coffee hoarded, enough butter? I see those nice, solemn, virtuous faces out there -- they're the ones that have got it. We're always suspicious of that virtuous look, you know. Two things that are white: virtue and arsenic. Well, these are only a few of the problems you're meeting.

The problem of our banks and our finance is a very interesting one. In July, 1932, Technocracy predicted the banks of United States would close on or before the first of April, 1933. They did. And as we pointed out then that national frigidity would cause the closure of all financial institutions and that those institutions would only be reopened by the pouring in of liberal federal treasury liquidity, and then in the ensuing decade would arise the danger of our banks, trusts, and other financial institutions drowning in their own liquidity. Well, they're drowning right now. Of course, the government could borrow from the banks but the banks do not want the government to borrow from the banks, because if the government does borrow from the banks, the banks would be more liquid than they are now. Isn't that a charming situation?

Here's the banker, who, for the first time in history, is almost completely liquid and he doesn't want the government to borrow all his liquid cash, because if the government does, he'll be so liquid that he drowns. So, Technocracy's advice to the bankers is to advocate the nationalization of banks so they can get on the Civil Service Commission and have a job for life. You think we're joking? But it isn't going to be long -- like that old herpicide sign, you know, in the barber shop -- those three little photographs with the combs -- going, going, gone. Well, they're in the second stage now; they only have the third one coming up.

The amazing situation is that, in order to win this technological war, we have to install more and greater amounts of technological equipment. The boys came back from the last war and found somebody else in their job, but when they come back from this war and go down the street to where their job was, they won't even find the building, because that will have been pulled down for scrap, and the place will have moved. When they go over to the new one, they will find the process that they worked at has disappeared completely and that an 18-year-old girl and a 40-year-old woman will be in slacks pushing buttons. In other words, the job will not be there. Well, what's wrong with that? Nothing at all.

We on this continent -- the greatest continent on earth -- and never again will Americans ever believe that, having been able to spend with easy facility over $300 billion for war, we can't with the same facility invest $300 billion for human rehabilitation in this country and this continent. It can be done just as easily, but you have to face the fact that we are in this social transition, and social transition is not particular about who it lets down. If the scale is large enough, you all have to change.

Here's technological equipment coming in as it has never come in in human history before. It may interest you to know that for several thousand years, the capital payoff time has been approximately the same. What is meant by that? Well, the time to pay off a capital investment, amortizable securities, principal and interest has stood at around 60 to 100 years for centuries. The Corrigan Plant of the Republic Iron and Steel, the equipment cost alone was $16.5 million, but operating at 75 percent of its capacity, it paid off in 36 months -- not 60 years or 100 years -- 36 months. The new Greenlee equipment, some $800,000 per unit, turning out the cylinders for your aviation motors, pays off in 10-1/2 weeks. Very interesting, isn't it?

Modern technology is continually producing more physical wealth in greater volume for less unit space, for less energy cost per unit, and less man-hours per unit, which is continually reducing the capital payoff time, the area liable for taxation in counties, states, and municipalities, undermining your whole fiscal structure of your county and state taxation, undermining your whole purchasing power, and yet providing you with more and more fiscal funds for reinvestment faster than ever. Of course, Karl Marx, you know, tried to make out that the proletariat would become hungry and disgruntled and rise up and overthrow a social system. Well, that isn't what is actually going to happen. Here's where the bank is going to drown, because the modern technology will produce more and more with less and less man-hours.

In order to win this war, we'll have to put in more and more equipment; but so is Australia putting in more equipment; so is Great Britain; so is Russia; so are the enemy countries of Italy, Germany, and Japan. And Germany in the last war came out of that war defeated but never forget that she came out with more KW hours' capacity, more production capacity than when she entered the war. The same thing will happen in this one, and yet you're going to envisage international trade on the basis of Henry Luce of LIFE and FORTUNE? Where we're going out to defeat everybody everywhere all over the world? The answer to that is "nertz"!

It might interest you to know that the bottled milk distributed in one day by the City of Newark, New Jersey, is greater than that distributed by the Kingdom of Italy in one year. United States and Canada have 96 percent of the bathtubs and water closets of the world; doesn't say much for the rest of the world, does it?

We've prided ourselves as a nice, Christian nation of sending missionaries abroad and to put pants on the niggers out in Timbuktu -- and a lot of other kinds of heinous practices like that -- and enjoyed that smug self-satisfaction of sitting at home and saying we had contributed to righting the moral delinquincy abroad or the frightful conditions; but right here in our own country, from the sharecropper of the south to the industrial slums of our larger cities, did we ever send missionaries to our own country? Well, it's about time. If it's good enough to export abroad, it's good enough to send to our own country.

It can be done here, but it can't be done on the old wishy-washy basis of a voluntary go-as-you-please anarchic participation. Frankly, I wish it could, because then I wouldn't have to work, and as a southerner, I don't like work. I think an ideal job for a Virginian should be custodian of the bears in Yellowstone Park, because in wintertime the bears hibernate and in summertime the guests feed them. After all, you never saw any sense in work anyway, did you? You never acquired social prestige out of work -- did you ever hear of anybody doing it? Did you ever hear of a coal miner ever acquiring social prestige? Did you ever hear of a woman in the kitchen ever acquiring social prestige? Hell, no! Not until she got a meal ticket big enough so that she could put a servant in the kitchen and get the hell out of there!

Now if you think work has done anything for you, just take a good look at yourself in the glass when you go home tonight. You'll know the reason why your children don't like you. That's a fact; they can see what it's done to you and they certainly don't want to imitate you. How many children want to imitate their parents? Very, very few, and you don't really want them to either. That's the amazing part; you want your children to be better than you are and to avoid a lot of things that you've done, because you know that it generally takes 40 years to find out that <u>your</u> parents were liars. Then you're too old to start over again, aren't you, darling?

Oh, yes, now we're facing a national situation where we're all going to be thrown in the same boat, where we'll be compelled nationally to be our brothers' keepers, and it's going to hurt like hell, isn't it? The thing we've been preaching for years -- no matter what church you belonged to -- you were all proclaiming that you wanted to be your brother's keeper, didn't you? And now the thing that you have professed is going to come about under Total Conscription and you aren't going to like it. What a nice, kind, Christian people we are! I know, I'm being ironic with you and intentionally. If I could take the pipes out from under the kitchen sink and throw them at you, I would, because I'm not running for political office and I'm not making money out of this; so, therefore, I don't have to pull any act with you.

We Technocrats are an interesting organization. I'd like to recall for your benefit that across this continent on the speaking platform and in our literature of 1934 and 1935, and every year from then on, Technocracy published the figures and protested orally -- on the air -- the shipment of steel, scrap, oil, lead, zinc, nickel and other materials to Japan and Italy and Germany -- 1935. You may have the phrase coming back to you or may have it repeated to you, but we originated that phrase: "Mrs. American [in 1935], don't squawk when your son is killed by a Pennsylvania coal car, a Ford rearend, or a 6th Avenue El." Did you ever hear of any national business organization protesting it -- the Standard Oil or the Ford Motor -- without going into too many names? Any of our nationally known business organizations ever protest the shipment of scrap steel and oil to Japan? Not a damn one of them. In 1940, we shipped 22,734,000 barrels of petroleum to Japan in one year -- it was good business! Well, we know it today, and we have to realize it, that that day is over.

Now we've been like John the Baptist crying in the wilderness for a good many years. We have been trying to carry a message that this country and this continent have the resources and the manpower and the ability and the ingenuity and the technological equipment -- if scientifically planned -- to defend itself or defeat its enemies and produce the highest standard of living the world has ever known. It's been a long, hard battle, but the march of events is going to force a social liquidation, and you may expect in the next six months the greatest liquidation of the American Middle Class, the American White Collar Class -- if you care to call it that -- that we have ever had in our history. Corresponding, but not as great, liquidation of the professional politician and the rise of the executive administrator, the technologist, scientists, and engineer and the mechanic. Now that is going to mean a terrific shift socially. Remember every man, woman, and child in United States will be involved in it.

If you want to have conscription of labor for the production of more profits for private enterprise and the same old haphazard alphabetical administration of your food and other consuming goods, you can continue as you are; but it can be administered scientifically, it can be distributed equitably, and we can increase our total production of food, war goods, and anything else necessarily required, and we can do it on a scientifically planned basis. We can attain victory in the shortest time possible, but if we continue on our present basis, we're headed for national chaos. Realize it. It's not a very pretty picture.

There isn't a man in Detroit that can guarantee that the school children of this city will be adequately fed 20 days from now -- or any other city. It's not his fault; don't blame him. He can't guarantee it because there is no known planned system of operation, and as your system of private handling breaks down -- it will break down under rationing -- then you've got to put in a functional system nationwide to handle all the physical problems and operations which are required for the maintenance of our economy and for the supplying of our fighting forces abroad.

It is, after all, a complex problem, true, involving many factors, but don't get the idea that it's too complex or too great to be solved by human intelligence. We have the data, the knowledge, and the ability right here in United States. We don't have to call on Europe or Asia to solve America's problems. They can be solved here and now by Americans. All that's necessary is a national cohesion, and Technocracy is asking every American where they're going to stand on this, because you're going to have to declare yourself sooner or later, and the march of events is going to compel you.

Now, I've tried in a sketchy way to give you some of the problems. What I'd like you to do is to write out questions that you have in your mind, because you have many of them. You'll find the question period is probably more interesting than my address. I'll try to answer your questions to the best of my ability. The ushers will pass down and pass out question cards, you write out your questions, and I'll see how good a job I can do of it. Make your questions on any subject. There's nothing too technical and no subject we can't try to handle.

Thank you very much.

CLEVELAND ARENA
"TOTAL WAR"
HOWARD SCOTT
December 11, 1942

For the last 150 years, it has been the naive belief of our country that peace was a normal state of human economy. It is true that the United States has enjoyed only 28 years of warfare in its entire history. Let us review the facts for a moment. Since the year 1600 B.C., there has been less than 350 years of peace in this world of ours: in other words, we have been at peace in the last 350 years less than 10% of that long period. France, in the last 900 years, has been at war 313 years; therefore, peace is not the normal state of the human economy. War is normal; peace is abnormal. Yet our colleges and schools have taught our public that peace was a normal state. True, peace is to be desired. We as a nation were ill-prepared psychologically for what we said would happen.

We are the most advanced technological nation on earth, and we as a nation are in the first total war in human history. There have been a good many other wars in history, but 99% of those have been fought with hand weapons and with the mobility of foot soldiers. Julius Caesar would not conceive of a total war in his time, let alone in all human toil-hand tool wars where the armies used only hand weapons.

In Napoleon's time, one man on the home front would maintain two in the armed forces and the battlefront. By the time of the Franco-German War, the ratio changed 1:1, and during the World War, the ratio had gone in the opposite direction and required slightly over three persons at home to maintain one in the armed forces.

We in the United States have been informed by the Selective Service Bureau and Manpower Commission officials that there will be 10 million mobilized in our armed forces. Our technological army today is many times that of the World War, so the problem of supply is of an entirely different order of magnitude than that of 1914 or 1918. Ten million mobilized armed forces of the United States will require 34 million in war production on our home front, plus an additional 30 million for the production of civilian goods and services, or a total of 64 million, plus 10 million in our armed forces, which would be 74 million. No nation in all history has ever attempted such gigantic mobilization as we will have achieved in order to attain victory. Could we make believe that we could mobilize 64 million by purely voluntary measures? You will ask "Tom Jones" to come in and depend upon his honesty and goodwill. There is nothing wrong with him or the public. The American public wants to serve and win this war in the shortest possible time, but to attempt to mobilize 64 million human beings by any voluntary process is a shortcut to international disaster, for the simple reason that we have been conditioned as a people with probably more processes of chiseling than any other group of human beings on earth. We are the smartest people on the earth individually. Collectively, we are not so damn smart. We are beginning to find that out.

Remember that for the last 20 years, the press, radio, screen, and the public leaders stated that we never needed any plan; that we never required any preparation; that the United States necessitated no knowledge of national design or continental strategy; that all we could do was sell goods to more consumers. Well, we sold more goods to more consumers and look at us.

What lies ahead of you are two general methods of fighting this war. One method you can see is the most gigantic war debt that will ever happen in history by the haphazard collection of priorities and the other rulings to where you don't know whether you get butter today or cheese tomorrow. There is another way much more scientific with sacrifice guaranteed to all and to come out of this war without a dollar of war debt. Do you like to be burdened by war debt? Technocracy doubts whether any American does. A million dollar bond won't stop a tank, and, remember, the boys in the armed forces can't buy bonds the way you do. They are out there at $50.00 a month. They have surrendered their way of chiseling that has been enjoyed by the most successful people. Right now, here at home, we are in the midst of the greatest business boom in the history of the country.

We are getting "nigger" rich. Get all you can as long as you can, because, brother, it isn't going to be very long. You may not like what we are going to tell you. We don't like it either, but you are headed into more and more rationing, and as rationing increases in the number of items and invades more and more territory, then let Technocracy ask you, how many retail stores do you think are going to supply? How many little businessmen are you going to supply? Sixty days more of rationing in this area of gasoline alone will knock your gasoline dealers--also most of your roadhouse restaurants. That is all right -- you learn to walk all over again, which won't hurt you, except there is no system or planning to this thing in its entirety.

There are 1,700,000 retail stores in the United States, and Technocracy states that within the next 16 months there will be a mortality list of 40% of that number of retail stores. There will be lesser and higher casualty lists in other fields, because, let us face the facts--that the United States cannot fight a total technological war and conduct business for profit. Either we have to give up business or give up the war. Of course, most of you feel that you never had better jobs than right now and are in the gravy for the first time in the last ten years. That is not your fault that you got in the gravy, and it wasn't your fault that you weren't in the gravy ten years ago. You are just a victim of the economic system. You can thank your stars you are in a war boom.

In order to feed, clothe, equip, transport, and fight a technological war for 10 million in the armed forces, it will require a mobilization of every piece of machinery, of every resource, and of every able-bodied human being--male and female--between the ages of 18 and 65 years of age. If we attempt to do it on the old basis, we'll repeat what happened in the last war when we produced 38,000 millionaires.

This time, the National Association of Manufacturers and the United States Chamber of Commerce and other like organizations are trying to force conscription of labor on the people of the United States. Conscription of labor--what does that mean? Labor would be frozen both as to occupations and to wages, salary, and income, and this would produce more profit for private enterprise; and Technocracy states that the conscription of labor is the introduction of institutional fascism in this country. The only thing that can fight conscription of labor within the United States is the program of total conscription of men, machines, materiel, and money with national service to all and profits to none.

When anyone joins the armed forces of the United States, he or she surrenders all their practices, and the United States Government assumes the economic responsibility for their clothing, food, transportation, health, and recreation. Now, if we as a country are compelled to mobilize millions of citizens, then it should be a compulsory national service based on the same basis as the armed forces, paid on the same basis, clothed on the same basis, fed, and with the same health requirements. It would be a guarantee to every citizen of his economic status for the duration of the war and six months thereafter. That would mean that every corporation would be "quick frozen" for the duration and six months thereafter. Every citizen in national service would serve on the same paid basis as that of the armed forces. It would mean a moratorium on all debt and litigation for the duration of the war and six months thereafter. It would mean a moratorium on all taxes, union dues, and insurance policy payments. The United States Government would issue the only purchasing power, and when you pay out that purchasing power, it would be paid back to the Government of the United States. You would not be able to transfer any bonds, real estate, mortgage, stocks, or any items of value, because they would all be frozen for the duration of the war. Of course, your bank accounts would also be quick frozen, because it would not be fair to the one with only $100 in the bank to allow the man with the million dollars in the bank to run loose, so "quick freeze" all of them. All bank accounts would be frozen for the duration of the war.

All property would be taken by the Government of the United States. Under the program of total conscription, the owner would receive United States Treasury certificates of deposit payable in kind or in money six months after the duration of the war. This is a <u>total</u> conscription of

men, machines, materiel, and money. It is the only way that a real equality of sacrifice can be obtained in our war program. True, we would not have any millionaires come out, neither would we have any poor come out, nor would we come out burdened with $300 billion of war debt.

Right now many of you are wondering how you are going to pay income taxes next March. Oh, yes, it is going to bother you. This fiscal year and the next, June 30th, we will collect approximately $20 billion dollars in the total tax collection. Next June 30th, the government will spend approximately $84 billion. It is quite a difference between $20 billion and $84 billion. The estimates for the next fiscal year ending June 30, 1944 are now $110 billion, and the probable tax that you would collect under this tax program would be between $25 and $26 billion--slightly less than one quarter of the total expenditures. When you think that your taxes are high, you better get over that, because in Canada the taxes per capita are just two times what you will pay this March. There are only 13 deductions in Canada from the paycheck every week--7 of them have to be, the other 6 are voluntary--you know what I mean. Canada has attempted to maintain its standard of living by priorities and price ceilings. They have only approximately 12 million people there, so that their problem is minor compared to ours. Perhaps they are more intelligent in Canada than we are down here. They have less morons over there; we have more here because we have more people here. If they make it work, they have had to introduce subsidies to lower the price of coffee, tea, and other commodities. Realize what is going to happen here.

Remember the old bootleg days when gin was sneaked in here by the back door? Bootleggers went to town, but remember they had only one commodity to bootleg. In order to get the most for the most, there is a scarcity in force, whether by business legislation or by manipulation, and every smart boy gets up early in the morning and goes out to bootleg that scarcity to his neighbors. See the way they are trying to pick them up now for coffee, liquor, and everything else. Several cafe owners here in Cleveland had too much liquor and everything else that they did not declare. They are all over the place. I bet most of you are guilty right now. Well, you are not to be blamed. It is not your fault. When you stop to think how many commodities the public consumes-and realize that, when those rationing coupons come out, there's a real scarcity for the first time in the good many years of this country, and the smart boys will all jump to bootleg those scarcities. The bootlegging days are nothing compared to what we are headed for.

Do you know what they are counterfeiting back on the Atlantic Seaboard? Coupons. Just watch the gasoline dealer who will have to take coupons to wholesalers to get tanks filled. Many of you are hoping to God you will find out where to get the stuff. We introduced rationing of gasoline in order to save rubber and to have additional gasoline for shipment abroad and to save our transportation; but the rationing of gasoline will not solve our national transportation problem, because the individual owner of a truck or car has the decision in his hands; therefore, the individual owner has to compete with what money he has and what friends he knows to find out how to beat the other guy, and that isn't transportation--that's a racket. There is only one way to do it: conscript all the automotive vehicles from out of the hands of private owners into uniform--national defense transportation units. Then each plant and each area will have sufficient cars and trucks, and they will be driven by uniform national defense transportation drivers. No individual will then have to buy oil, gas, tires, or spare parts. Defense transportation would be responsible for all war workers, civilians, necessary doctors, nurses, police, etc. That is the logical way to do it, but so long as you leave it up to the individual and his pocketbook, then the gyp starts, and for every gyp there is on one block, there are five on the next block. Don't expect human beings to be honest. You know about the human being who lives next door to you. He is no different from you. Stealing never was a crime so long as the majority of human beings could steal, but the majority only objected to stealing when the majority could not steal any longer and were being stolen from--then it became unethical and illegal. Remember that all of us came from out of that background where our forefathers used to steal, and a lot of us are in that category now where we wish we could.

Here we are headed into a national crisis of transportation, agriculture, distribution of foodstuffs, clothes, etc. There is going to be standardized clothing for men and women--well, why not? In one of the new war plants, you find thousands of women working in those beautiful blue

slacks and jackets. You know they really look like something for the first time. The women in the war jobs who wear the slacks have solved all the problems that are bothering some of you females out there, because the war worker in slacks does not wear stockings--only socks; does not wear a girdle or foundation garment; and has no use for a brassiere; and is purely a matter of figure, and for the first time a male can see what he is getting-- and the American male has always had an eye for a figure. The American female in war work is better looking and much more shapely than the dame out in the latest style. They are getting conditioned to getting more attention with the standardized uniform than they ever got. They are not going back to a lot of junk and trash they had to wear, and they know it and the males know it, too. Do you think they are going back to the fancy style? That is the interesting part of it. I see some of you grinning--you must have seen one. Well, there is going to be standardized clothing, and the women will be better looking in the United States than they ever were and the men will like it. It will cost less and will be more efficient and more effective.

Also, the Government of the United States will have to open 24-hour-a-day nurseries to take care of the babies and the young children of the married women war workers. We haven't sufficient equipment in private hands, and the American mother would not trust her children to private hands anyway. She isn't any too sure about some of the medical professions in private practices. She would like to put it on a national basis, and the American mother is correct. It will have to be put on that basis.

Big farming, with 10 tractors or several hundred cows, had to have a lot of hired hands, but those hired hands have gone long ago into the armed forces or high-priced war jobs. They cannot maintain a dairy farm or operate a large-scale farm. Tractors are standing out there without anybody to drive them and no spare parts for the tractors or for the milking machines. How could it be done? It could be done very simply. It cannot be done the way it is done now because there is not sufficient farm labor or personnel to operate an individual farm or on a private basis. Let us take a 25 x 25 mile block on a farm land--approximately 625 square miles--400,000 acres and approximately 4,000 farms. You can pool all the farm equipment in that 25 x 25 or 625-mile block and only have 12-1/2 miles to go from center to outer lane. You can operate that 400,000 acres as one agricultural unit, pool the farm equipment and personnel and have 2-1/2 times the equipment left over for spare parts and scrap 6 times the equipment necessary for the steel scrap. Why not? You try to continue with this haphazard method and you will run into shortages of staple food. The small farmer that had a wife and 10 to 14 children reduced his animals to one cow and left his wife and kids at home to run the tractor and went into war work.

Your big dairies are being auctioned off because of no help. Don't think that this is only occurring in one place. It is occurring from New York to Wisconsin--out to California. Our old policy of the devil take the hindmost is fine provided that we are at peace and can afford to waste efficiency, but operating under total war, we cannot afford to let this country go hungry or fall down on our supplies to the armed forces. We as a people have to make a decision.

In one of the New York milk companies, the government is now buying all the milk from the producer, then is selling it back at a price low enough to permit milk distributors to make a profit under the price ceiling; therefore, the government is in the milk business, but the government is only in the milk business to save the milk business and keep it in private ownership, and the public pays for it. You don't have to be told how dumb you are--you know it.

Every group--economic, labor, and social--are all battling for their two cents. They are more concerned with fighting that conflict than they are in fighting the Axis--just as business is more concerned on the postwar problem of whether to expand an industry or not to and mostly not to, because if you expand it to the needs and the requirements of war, then it would be too big for postwar business. They are more concerned over what their lousy business is going to be a year or two or five years hence. Let us get it straight. If you don't win this war, you won't have to worry about postwar problems. You will be wearing burlap bags and have a bowl of rice in your lap. Some of you may have a few mortgages or bonds. If you don't win the war, the bonds won't be any good, and you will regret that they are made of such stiff paper. I think some of you have a sense of humor. I did not mean what you meant at all--I meant Kleenex.

Clothes, shoes, meat, home products, and transportation will be rationed, and there will be standardized clothes and home equipment. We will have it. Are we as a nation prepared for it? And the answer up until now is we are not. Why aren't we? Because what has dominated the United States since the Civil War has been the psychology of successful, nice people. Four generations of successful, nice people--the curse of the country. You know--so nice that they stunk pretty. This war is going to cause the greatest social change that this country has ever seen, because you are going to witness in the next two years the greatest liquidation of the American middle class or white collar class that has ever occurred in any country. You are going to witness the liquidation of those successful, nice people. The more successful they were yesterday, the dumber they are going to be tomorrow. Don't blame them individually. Remember, they were smart people a few years back, but they are not so smart now. We are going to witness further liquidation of the professional politician. We are going to witness the liquidation of unnecessary occupations. Newspapers are going to be smaller and thinner. Why not? The newspapers have not been dealing with the news for quite a long time.

Let me recall a few things for your edification. In 1934 and 1935, Technocracy Inc. protested shipments of scrap steel, petroleum, zinc, copper, lead, and other materials to Japan, Germany, and Italy. Let us ask you--did the United States Chamber of Commerce, the General Motors Corporation, or the National Association of Manufacturers protest the shipments of anything to Japan, Italy, and Germany in the last 8 years? They did like hell! We have a long record. We advocated the fortification of highways and railroads to Alaska years ago--long before this war started. We were like John the Baptist trying to warn them. We can take it, but can you? We have been a long time at this, but we haven't been licked. We have laid down the facts as we have found them.

In July, 1932, Technocracy stated that the banks of the United States would close on or before the first of April, 1933. The Attorney-General of the United States at that time thought that we should be indicted for making statements endangering the safety of the public institutions. Technocracy was not indicted, but the banks <u>did</u> close the last of March. Don't jump to conclusions that we are prophets or anything supernatural. All we are are technological engineers with a scientific method of analysis. We are trying to tell you what is ahead of you and how to avoid it and not run into trouble. If you want to fight this war on the basis of individualism or private business and "the devil take the hindmost," you can continue just as you are. You will come out with $300 billion worth of war debt. You will need more than an aspirin to get over the headache. On the other hand, you can, by organizing public opinion in the United States, install Total Conscription by perfectly constitutional, legal means. All it needs is an Act of Congress executed by the Commander-in-Chief, Franklin D. Roosevelt. It requires no change in the legal system. The U. S. Treasury is at this moment trying to find out how to borrow those $60-some-odd billions for this fiscal year and those $80 to $90 billion for the next year.

Now, there is sufficient cash in the banks, yes, but let me repeat what Technocracy said in July, 1932: the banks of the United States will close on or before the first of April, 1933. The banks today are drowning in their own liquidity. The banks do not want the United States to borrow because if the government would borrow, the banks would be more liquid than ever. Don't sympathize with them. There is only one way out for the bankers and that is to get a job on the Civil Service Commission, and they will be pensioned in their old age.

What Technocracy is trying to do is to get you all a job in the government. Don't you understand? After all, it is your country, and you are entitled to a job with the government. Very simple when you come to think it out, because if you are all in the government, your economic status has to be guaranteed then. If the United States Government operated everything in our entire national program, you imagine the government borrowing from itself just as you could. We may be slightly balmy, but we are not crazy; therefore, the United States Government operates all necessary operations. It does not have to borrow a nickel to fight this war. It operates everything on the same basis of national service as it operates its army, and when the war is finished, it hands you back your property and there you are. You have piled up no war debt and you have lost nothing. It is too simple and too beautiful for a lot of people to see it right away. This can be done. It could be done in quick order and could be done on a national basis, but it can only be done when the American public wakes up.

Let us get down to cases and realize the job facing us, because we have not gone very far in winning this war yet. We have a tremendous job ahead of us. What Technocracy is proposing in its program of total conscription is that every American serve in the national service the same as the armed forces for the duration of the war and six months thereafter.

We Americans will have to be our brothers' keepers for the duration of the war. It is amazing what we actually find. Technocracy finds that as a whole the organizations, plants, and workers and 99% of all Americans will give their time and effort, money, equipment, property, or anything else, provided there is an equality of sacrifice guaranteed for everyone, and not the hypocrisy of $25,000 net a year, because it is downright hypocrisy -- $25,000 a year per individual is $67,000 gross a year per individual. Grandpappy and Grandmammy can both have $67,000 each a year, and they can have eight children and they can each add $67,000 a year, plus the husbands and wives, and what the hell kind of an equality is that? What a horrible thing it is that you should limit any individual income! Well, it is horrible, isn't it, to limit the boys in uniform to only $50 a month, and here we are on the home front still getting away with war prices, wages, and war racketeering. If we insist as a nation that we want our profits first and our pound of flesh, then God help us! We better realize what we are up against, because we are up against one of the toughest combinations the world has ever known, and we are not going to lick the Japs or Germans with our hands tied behind our back. It calls not only for an organized strategy of our armed forces but an organized strategy of technological operation of our entire economy.

If you think that all you have to do as an individual is to make a contribution of buying bonds, that is a sad state of mind. A million dollar bond won't stop a tank, and if we all bought bonds, that would not solve it, although they are a good investment. If you write out a check and hand over a five or twenty spot, you think you have done your bit. Well, the hell you have! We are facing a far more intense situation than can be cured by any dollars. It calls for a planned mobilization of every operation. There is competition between business in war production, business in the consumer goods production, competition between the army on one hand and the navy on the other. Is that the way to run a war? They don't do that out on the front, but we are insisting on doing that at home because all the successful, nice people want to get the most out of it. We brought up our children to be that way. Well, I know it is a different picture than you are accustomed to. Technocracy is not running for office and does not make money, and it is not a racket; so we can afford to tell you. If you don't like it, it is not our fault.

In the last war, we put in so much technology and machinery that we came out with 38,000 new millionaires and a depression in 1920. Then we pulled ourselves out by loaning billions abroad and installment buying at home, and we were in the days of three chickens in every pot and two cars in every garage. You remember those good old days? They are gone, but we can have a greater America than any business corporation ever dreamed of or invented by the National Association of Manufacturers, but it can't be done by private chiseling and "the devil take the hindmost." It can only be done on the basis of an entirely planned technological economy, because never again, after we have spent $300 billion in war, will you be able to convince an American that we cannot spend the similar $300 billion for rehabilitation of this country in peacetime. If we can do it this easily for war, we can do it just as easily to create the greatest standard of living in the greatest country on earth.

We are in this war, and how long is the war going to last? Until we win it. We haven't gone very far in winning it yet. Some thousands of miles away on another front, there are 243 German fascist divisions with the greatest collection of tanks and guns and planes that any army ever had, and on that same front in 1914, there were only 179 divisions and only 8,500 Germans. The Russian front has put out one of the greatest battles history has ever seen. It wasn't Russian nobility that brought the German fascists to a stop. It was the Russian organization, Russian guns and tanks and firepower. Russia has the greatest reserve of trained manpower on earth. She needs guns, tanks, planes, and shells. Did we send them to her? No, we sent her Wendell Wilkie! No wonder the American correspondents in Moscow say that this will be the coldest winter that the Americans have ever known in Russia.

Every corporation and manufacturer and engine maker will get a war contract to make more motor vehicles. Every corporation had to get a chassis, rear end transmission, and engine. The same way on our tanks and planes. It was good business but is damn poor war. Realize that we could have entered this war with only two engines in our fighting aircraft, only one engine in our tanks, and four in our entire transport, but count up the engines and see what they amount to. It is those successful, nice people we have. Let us hope that we have the guts to change it before 10 million boys come back and go looking for those successful, nice people. Mark my words, that is what they will do if they don't get equipment, and I wouldn't be in the shoes of one of those successful, nice people for anything in the world. Their days are numbered.

There are a thousand different categories that I could discuss with you on this war program and conditions abroad, but I would like to make you do a little work. I would like you to ask questions. There are question forms, and I would like you to write out your questions and have the ushers bring them up. You will find you will get more out of this question period, because you can express yourself without giving yourself away. I will do the best I can to answer your questions factually and faithfully. I thank you.

QUESTION PERIOD

Let us give a few facts on European fascism. Japan has around six million farms and the average sizes are two- and three-tenths acres per farm. There are 3,400,000 farms in Germany--smaller than 5 acres. There are similar percentages in France, Italy, and Spain in the European fascist governments. The agricultural land cannot be mortgaged, transferred, or sold. They are to be given to the oldest son, thereby freezing 60% of the population of those countries to the operation of the few acres by human toil and hand tools.

The average size in United States is 158-acre farms, which were decreasing in size until the introduction of technological agricultural equipment. From then on farms grew in size, and they will continue to grow. There is no such thing as total conscription in any fascist country, but there is conscription of labor in every fascist country. Total conscription would put every human being in every country on the same basis. One never heard of fascism putting the population on the same basis yet and you never will.

The introduction of the conscription of labor means the introduction of fascism right here and now while we are fighting fascism abroad.

SOMEONE ASKS IF TOTAL CONSCRIPTION APPLIED TO CONGRESS.

Why not -- they are Americans, too, aren't they?

SOME PEOPLE WANT TO KNOW WHAT WILL HAPPEN TO THE MORTGAGES.

Your mortgages will be frozen for the duration of the war and six months thereafter. If you try to live without mortgages, don't worry; the government under total conscription gives you a monthly income the same as in the army. If you are trying to pay out the mortgage, don't worry; you won't have to pay it off. Very simple.

SOMEONE WANTS TO KNOW ABOUT LIQUOR AND IF TECHNOCRACY IS A DRY MOVEMENT.

Hell, no! We are not that. Technocracy proposed to close the bars but not to abolish liquor. Closing bars or nightclubs specifically stated as a war emergency to prevent civilian and army disputes and a lot of trouble. You will have liquor rationed in this state very shortly, and, of course, some of you have a stock in already.

THERE ARE SEVERAL QUESTIONS HERE ON THE MORALE OF LIFE AND VENEREAL DISEASES.

The venereal disease rate, as Technocracy stated several years ago, has risen, and, unfortunately, it will continue to rise, because there is no control of the situation. If you have army camps in this country, the army camps have to have fences built around them to keep the girls from getting in. You able-bodied men that still look pretty good, don't laugh when there are 10 million able-bodied men in the armed forces. You are not going to be safe, brother. Of course, we endeavor to be frank and honest. We think that when our sons and daughters go out with somebody else's daughter, they go to play pinochle. We call Mexico a barbarian country and uncivilized, but Mexico's jails have visiting day every week for the wives, sweethearts, or boyfriends, or husbands, providing they have a medical certificate. Mexico has a highly intelligent attitude.

The army has a lot of space. It could have a visiting day. You can stop this nonsense very easily. It isn't the professional prostitute that is causing the trouble, especially in those counties where, under law, they are forbidding them to be in the army camps and shove them off into the next county. What is causing the trouble nationally is the amateurs, especially the 14-, 15-, and 16-year olds. All you have to do is look at any audience and you know that incompatability is in the majority. So, we really have to recondition you to solve certain problems, because you still think it is pinochle.

THERE ARE SEVERAL QUESTIONS HERE ON THE FLYING WING.

Technocracy, of course, had designs of bombers, flying planes, tanks, and guns long before we got into the war. Technocracy's Flying Wing is a non-fuselage, propeller driven, 330-foot wingspread, bombload of 50 tons, range 12,500 miles, ceiling 40,000 feet--made out of magnesium and 33-sheet plastic. We haven't gotten ruthless yet, but when you go in for a flying wing with one hundred 1,000-pound bombs on each wing instead of five and a much greater range, you really can go in for total war. You go over to eliminate the civilian population--you don't bother about finding the militia. You lay one bomb every 200-foot square, and you never have to go back again. Once over the job is done. Kind of tough. We have the technology here to build such planes.

SOMEONE WANTS TO KNOW IF THE CHURCH WILL REMAIN OPEN IN TOTAL CONSCRIPTION.

Why not -- the minister and priest will be totally conscripted, too. He will be maintained just the same as those in the army; so, for the first time, he won't have to worry about the mortgage on the outside of the church or the collection plate on the inside. He will be able to preach as he sees fit for the first time in history.

SOMEONE IS TRYING TO GET FUNNY -- ASKING ME WHY I SHOULD NOT BE THE NEXT PRESIDENT OF THE UNITED STATES.

No, I am not looking for any political job. Let us get this straight. I have my job picked, and I don't want any of you people trying to kibitz on it. I am a Virginian and I don't like work. When I look at you, I see what it has done to you. The job I want is to be custodian of the bears in Yellowstone National Park, because in the wintertime they hibernate, and in the summertime, the guests feed them. I don't want any political office. I won't take one.

SOMEONE WANTS TO KNOW ALL KINDS OF FUNNY THINGS ABOUT NEGOTIATED PEACE AND GUADACANAL, BURMA, TUNISIA, AND AFRICA.

We are going around the world here. It may be interesting just to give you a slight comment on some of these. The situation in North Africa is not a second front.

If the United Nations, Great Britain, and the United States take Tunisia and all those places, then we will lay down the preliminaries for a second front, but not until then. There are still 500 miles of territory that has to be taken and more. The European fascists now have cut the Mediterranean Ocean in two, and for the first time, they really dominate the Mediterranean.

THERE ARE SEVERAL QUESTIONS REGARDING THE INSIDE INFORMATION ABOUT THE DARLAN SITUATION.

In that case, I refer you to our State Department. They are the ones that prevented the automobile from going to Barcelona, Spain, because somebody might attach a machine gun on the roof and make a war vehicle. So, if you want to know anything on the Darlan situation, write to them. They ought to be able to give the inside information. That is as close as I can come to calling the State Department names.

SOMEONE WANTS TO KNOW IF YOU HAD TOTAL CONSCRIPTION IF IT WOULDN'T DESTROY INCENTIVE.

Incentive is sufficient inducement for a chiseler to trim a sucker. Initiative, on the other hand, is a capacity of a healthy human metabolism to convert the environment into health, pleasure, and recreation. You can be defective in a wheelchair and not have initiative and have a hell of a lot of incentive. You can have initiative in certain conditions, but if you haven't any prostate, gentlemen, you will have no initiative.

SOMEONE WANTS TO KNOW WHY A CERTAIN NUMBER OF OUR MEMBERS IN TECHNOCRACY WEAR GRAY.

We will tell you. Technocracy has never had an endowment or subsidies. The early Christians wore white, but since they abandoned the uniform dress, you can't tell a Christian from a Democrat. Not having the economic training schools, the only way to do it was to put Technocrats in some distinctive dress which made their neighbors and friends pick on them. Their neighbors and friends did pick on them, with the result that the more they picked on them, the better Technocrats they became. We did it intentionally, and today we have Technocracy Inc. and a nonprofit, nonsectarian, nonpolitical membership, organized under the laws of the State of New York. We have the largest fleet of sound cars in the world right here offered free--service cars and equipment for Civil Defense, police and fire departments. You have seen some of them functioning here, in Detroit and Los Angeles and across the country.

I would like to ask the audience here this evening--how many of you are in favor of total conscription? Now I would like to find out how many are opposed to it. Not more than 15 that I can see. So the majority has it. I guess you rank individuals will have to go along with the majority. How many are willing to do something about it? Come down here and let us get you into the movement. It is the only thing we can do. We are not a political party. If you are sincere and want to fight for total conscription, come down and sign an application. It is only 42 cents a month. Nobody makes any money. They are all voluntary services. All I can do is ask you. I can't do it alone.

Come on, we might as well do it. You'll never do it sitting down. Only citizens of the United States are eligible to join Technocracy. If you are an alien, Asiatic, or politician, don't come up. Only citizens of the United States. All I can do is once again ask you to come up or get the hell home, because you are no good sitting out there. There is no color line in this organization. The negro is more intelligent than most white men, because he knows there is no sense in work.

MEMBERSHIP MEETING
Section 15, R. D. 8141
December 13, 1942
HOWARD SCOTT

As your Director-in-Chief, I'd like to report that the membership in the month of September, 1942 reached an all-time high, contrary to your expectations. Despite the induction into the armed forces and shifting civilian occupations, we are moving up. We are the only organization in this country that is trained and disciplined and can put on a show from coast-to-coast. The Republicans can't do it--they have to employ outside help--even have to get their applause from the outside. I wonder if you realize in the convention held here a few years ago that there were 3,600 paid clappers. They paid 3,600 to come here to applaud their convention. Now in New York, the visiting maestro can have paid clappers at the opera, theater, or at conventions. The Republicans and Democrats had to do it. This is an election year and the total votes were less than 26 million. The public is not interested in voting; it is not interested in what the political parties were dishing out to them; but it is interested in what we are handing them.

Many of you may be slightly upset by the strategy of Technocracy, because everytime you think it is headed for either trouble or to be frozen, it shifts on you. Well, remember that one of the stipulations, one of the clauses, in our program of total conscription was the closing of saloons and private bars. Now why was it that way? Well, I'll tell you. It is an example of national psychology. Technocracy isn't interested in prohibition. The United States Army has a problem on its hands, and we know that as the total number in the armed forces grow and high wages and salaries of the civilian population rise, the get-rich-quick psychology of the average saloon, cafe, or barroom proprietor will sell liquor to anyone if he can still sit or stand at the bar. The trouble invariably is between civilians and uniformed men. Curfews are being enforced on barrooms right now by the army because civilians (not all civilians, but there is a percentage of them) will pull out a roll in front of a soldier--well, sucker, at $50 a month, take a look at this! Well, the sailor or soldier, if he can still see, takes a swing at him. Then if the civilians outnumber the uniformed men, the civilians will throw the uniformed man out into the gutter. Well, what happens? He picks himself up, goes back to the base or ship, and his buddies ask, "Well, who hung the mouse on you?" That is the kind of setup there is. He'll say in such and such bar at so and so. Right away a bunch of uniformed men get together; well, let's go call on them. Then the fun starts. Now, the saloonkeepers -- and there are saloonkeepers with sense, the majority are just the same as everybody -- grab all they can. That is what starts all the trouble, even when they know beforehand. And yet, when we stated it, so what was the reaction on the public when they read that. It was an interesting situation.

If you were ever in the suburbs, where they have high hedges or fences around each backyard, here's what happens. Somebody is out there working on a Saturday afternoon or Sunday, putting in a garden or a few flowers, doing a little work, and suddenly over the backyard fence sails a rubber boot or dead cat. He takes a look at it -- who in hell flung that over here? Well, he grabs ahold of it. Does he fling it back? No, he flings it in the other direction. Very shortly, it is going down the whole block. That is national psychology. So, CHQ wrote that in there in that particular way, because that boot is stuffed with dynamite, so that each one would kick it down the line through some pet peeve of his, and they have. Remember, we have to make the public want what we want them to do. There is a little bit of feminine psychology in that. She doesn't directly attack. The female is expert at this--she induces seduction; of course, the males don't know anything about this. But that is in practically everything we do.

I don't want any of you downhearted because you think the meeting at the Arena was a failure. You did a job in this territory -- realize that. And don't think because you did a lot of advertising, you didn't get 12,000 people. After all, meetings are an excuse to advertise. This is an entirely different attitude. Remember that this organization has placed total conscription

in business places, American Railway Express stations, plants; placed banners across the streets; posted placards and distributed a terrific number of leaflets all over the country. Nobody can say any longer that he hasn't heard of total conscription; in fact, it has become so funny that heads of labor unions in Detroit asked, "Mr. Scott, the CIO can take Technocracy in its stride. It wouldn't have any trouble with labor that Technocracy was O.K. The CIO is in favor of conscripting banks, industries, railroads, and money, but you can't labor unions."

I asked the labor leaders if they thought they could go across the country and conscript everything and leave labor unions. One leader thought that possibly that could be done. Others said no, it can't be done. By the way, a few days ago the labor leaders said that labor in Detroit would not be frozen nor would it be frozen in the country -- that labor would not permit it, and if the government attempted anything like that, labor would strike. Technocracy said it would be frozen the week before the first of the year, and, furthermore, when labor is frozen, it won't strike. It happened two days after your Chief left there. The comments in Detroit are very interesting. The labor leaders are worried. The CIO is bothered as well as the AFL in Detroit. In the last four months, they can't get a meeting with all their members as big as Technocracy can. They simply will not turn out to a meeting, and with labor frozen to wages and jobs, naturally, of course, labor members ask, why pay dues? You can no longer get any wage increases or strike for working conditions -- you will have to drop that; therefore, labor union membership will be compelled to fight for entirely different things than a labor union has had for a long time. They'll have to strike for coffee, transportation, milk, health, and general overall social supervision, which is out of the union's category. Here conditions are forcing the members of labor unions to go along the lines Technocracy has for the last twenty years, although they won't admit it. They are now forced to do it by their government. Isn't it ironic? It is beautiful when you think of it.

Well, we are in an ideal position strategically. Many of you are uncertain on the program of total conscription. A few get over it, because we have carried the program from Panama to Alaska, from the Atlantic to the Pacific, and we can put our fingers to our nose at anybody. Begin to realize how really amusing it is. Here's your manufacturers screaming how patriotic they are, and then we raise the ante on them. Nobody can accuse us of being antiwar or antipatriotic. We are the most one hundred percent patriotic organization in the country. We are fighting the war on a one hundred percent basis--not a ten percent basis--so that we haven't anything to worry about on our position. We will have to meet some shifts in our personnel--some going into the armed forces, leaving for other organizations--yes, that will entail consolidation. You have done a job here in Section 15, and you will consolidate other Sections in Cleveland.

Out in California, they are going to take over the biggest, most beautiful motor distributing rooms in Los Angeles, only they are going on a 24-hour shift basis. They will have 10 to 20 sleeping in the place each shift. Of course, when they go out there, they really go. They may trip over themselves getting started. Why not? Now, I'll tell you what they are doing. Many bought a lot of jalopies with licenses--understand? And just sufficient tires from where they were to the gas station--understand? Just so that they have a car. Most of them are no damn good, but entitle the owner to an "A" card. Now you get it. Well, also on ration cards. A lot of men and women, married couples, both of whom are working, eating in cafeterias and restaurants and not maintaining any really home cooking establishments--so they do not use the full amount of their coffee or sugar or other ration allowance. In that case, they turn in the unused ration tickets to the Section, and the Section serves coffee to the swing shift and to interested plant workers. Nice idea. They ask the plant workers to throw a dime in the pot. They are quite willing to do that. They have a reading room set up with current literature and magazines. They have someplace to go at midnight. So, we are going to have a lot of friends. They bring in the servicemen, too. Well, we can do tricks like that. We are all going to function on a 24-hour basis soon. The war will be on that basis pretty soon.

There is something interesting I want to get into to show you what happens when you build $22 billion worth of new plants. Step up the consumption of energy to levels never dreamed of. Doesn't make any difference whether you like it or not --whether Washington does or not. The laws of energy determinants are as inexorable as the laws of gravity. When these things happen, then others automatically follow. I'll just draw a few little pictures up here. I want to draw the agricultural setup I spoke of in the Arena. Take a 25-mile square--a row mile in each direction-that is the legal row--625 square miles, 400,000 acres, 4,000 farms, all in that area. We can pool all of the equipment, livestock, feed, and personnel in that area and sufficient trucks to handle all the equipment in 12-1/2 miles in any direction to move the equipment all around. Now we require additional space across the country, because we cannot, under wartime emergency, spare the materials to permit any amount of rebuilding. We can, by efficiency, acquire the space by doing away with the unnecessary occupation of space and buildings.

That is only one of the number of cases where the same method could be applied, so that animals can be moved into large farms, feed could be moved, and the personnel. As far as the actual land area, the equipment and personnel can be taken by truck to any point in that 625 miles in a few minutes. The marginal farms, that is, the little petty size with poor land, you can leave, and develop the best land to the utmost. Now we can raise more food in this way than we can by individual farms--more food, and have spare parts and scrap left over. The farm personnel will not work as hard running the farms this way in wartime as their invidivual farms. The farmer won't like to believe the engineers can show them how to do it. We don't want anybody that knows anything about it. I seem to be making a paradoxical statement. If he knew all the minutiae that an individual farmer has to know, he wouldn't be able to plan the operation on this basis. So, the less you know about the individual running of a farm, the more you know about operating this way.

The engineer doesn't know anything about tool operation, but we can operate it better than the farmer. This is the only cure for individual farming. It is not higher parity prices or better farm transportation. It is better to move the farmer the hell off the land. As long as he is left on the farm, he is the most reactionary individual there is. He can't be helped by leaving him there. You can't help the poor white trash or the negro down south by leaving him there. You have to get him the hell off that land. Now, your fascist would want to keep him there and have his hundred acres, his twenty cows, cotton, and his milk, and take all the cream and surplus away from him, or his cows or his milk, but we are going to take him the hell off the land. He is no good if he is left there. The emergency of this war is going to compel the pooling of farm equipment and farm personnel. Our government is going to do it for us. We have a wonderful government, ladies and gentlemen; it has nothing to do with the elected representatives or the Republicans or Democrats; in fact, the holy rollers could do the same. They might roll into it.

Every one of our cities 25,000 or over--even smaller ones but the larger ones especially--have had a Roman Holiday for the last 70 years, especially the last 20 years. Over a million retail stores in the United States. The sucker consumer was the great game. There never was any closed season on the suckers--24 hours a day. Well, we have to have space and efficiency, and efficient distribution, so let's take a distribution area. Take any large city: Chicago, New York, Cleveland, or Los Angeles, all have a high percentage of stores per capita. (Another rectangle drawn on the board marked off in squares of equal size) an area four blockssquare with a total of 16 blocks--now, then, you take all the delicatessen stores in the 16 blocks--and there is quite a lot of them downtown--all the butcher stores, and you consolidate all in the center, move the equipment, personnel, and have one butcher store, one grocery store, and one delicatessen, or other unit of distribution moved into the center. Then you only have two blocks to walk from any point in the square to the center of the block for any citizen. It reduces the truck stops. In New York, Brooklyn, Chicago, or Los Angeles, you reduce it 28:1. There would only be one truck a day in a purely residential block. That would mean a consolidation of motor vehicles, consolidation of your retail stores. One truck would deliver the milk, the bread, the pastries, ice cream, butter, cheese, or the morning paper. Just one truck to travel that one block. Now there are some 10 to 14 trucks travelling that block. Go on out here in Cleveland and count the stores, etc., the number of stores in one block. You will find that we are being very conservative. This would give additional space that modern equipment, lighting, and heating will require. They are now going out of business anyway so that they might just as well be handled efficiently instead of resulting in confusion and the debacle as the result of this.

Because our national business is founded on volume turnover, and when we eliminate thousands of items off the shelves and restrict the items that are left and ration the remainder, three stores out of five will eventually go out of business. They have been maintained long enough. This way of doing it we get efficiency. We will have sufficient personnel in 16 blocks, and distribution will be maintained in your center 24 hours a day, and they only have to work 6 hours a shift and work less than now and get better distribution. They are doing that today. The unit would be open 24 hours a day with adequate equipment. As it is now, they are going to fold up. Fold their tents and silently steal away. That gives you a little picture of it. Of course, there are other fields where this applies. I am only giving you certain highlights.

Now we will go a little deeper into this on a general basis. The basic unit of political administration of the government is the county--the basic unit is the county--and the fundamental income tax of assessed value is the county or municipal area in the county. When we were a primitive agrarian economy, such conditions we have now could not arise. If we remained such--80% on land--we couldn't draw these pictures that we are drawing today; but the basis of our fiscal income is the tax of assessed value of property in operation in the political structure of the county, or within the county, or municipality, or the state.

Let's take a quarter in a city that had regional planning in the last 60 years and represent that area by a rectangle--that is the area of that municipality. Now, forty years ago, it was a property in which there were stores, etc., an industrial operating area. Taxation was built up on the assessment of the possessed value. Now certain things are happening to that structure. When you put in more extraneous energy in that area, manufacturing toys, shoes, gadgets, or whatever you are doing, if you are transferring from hand tools and using energy from oil, coal, gas, etc., let's see what happens. (Another rectangle drawn on the board)

Let's assume that this area--the area subject to assessment of possessed value--a number of years back, you could assess the whole area. But now there are blighted areas in the municipality--concentrated populations--and technology comes along and reduces the technical equipment. Rising consumption of energy--rising from nothing--in that area. Now a very peculiar thing happens. Remember a few of them, that is, the energy input increase in volume and time. The output capacity is increased; the man-hours per unit decreases, and the amount of energy consumed per unit decreases as the total items per unit of time increases. At the same time that that happens, it does a very peculiar thing: it reduces the unit of assessed value area per unit produced; it continues to shrink the area, because you produce more and more on a smaller and smaller area or less cubic feet of space.

The smaller plants can produce several times what the old-fashioned plant did, so that instead of regional planned industrial area expanding hugely, the area shrinks on them. Now, besides that, it reduces the capital payoff time. Something Karl Marx never knew or economists never envisoned. For thousands of years, the time necessary to pay off the interest and principal on a large amortized investment was usually bonded issues with a hundred years to pay. Well, it took that length of time to pay off. The introduction of energy and technology has reduced it toward zero, and reducing the man-hours toward zero and the energy consumed per unit produced tends to go down, etc. While the unemployed tends to rise and unusued area tends to rise, or increase, the production will rise and your available capital rises.

Now, with your extraneous energy production in any area, manufacturing written to half of the amount of many times the original, some peculiar things happen. The industrial area begins to shrink to a smaller rectangle. It doesn't grow, it decreases, because you are producing a huge amount on less and less plant space. So, thereafter, in 10-year periods, it would decline in this manner. (Diagram on board showing the shrinking of the original area) This decline occurs at a high rate of speed and undermines the whole county structure and political setup. This occurs in several different ways. You have a powerhouse that was built 30 years ago, an old building down in an industrial quarter--no improvement in there; but the technologist can put in 50 kw units and have space left over. Can you move up the taxes to 3 times for that land? No. The building hasn't been altered. You don't jump your taxes.

Well, that is giving one side of the picture. As in the case of the Eastman Kodak company, they used to have a six-run process on their films, using seven buildings; now the new process is high speed and in only one building. They gave their other six buildings to the City of Rochester. Do you see it now? They were being magnanimous. The people of Rochester are just dumb. They didn't realize that what the Eastman Company was doing was being beneficent and getting rid of taxable property. Now that happens all down the line. True, we are getting expansion on war industries, but they will introduce processes that have been on the shelf for a long time.

Now let's see what happens on the other side of the picture corresponding to the increase in energy per area. There is an acceleration in the rate-time in capital payoff. Well, I'll give you a few figures to show you what happens. Take $100 million invested a century ago or 50 years ago or 30 years ago, it would be on the bond issue on a 100-year basis. One hundred million on that basis we can only invest once in a hundred years; and that was true for over 7,000 years. In 1360 BC, they had rent and amortization and leases, and these are practically the legal code of today. It reads the same--6% and 7%. Don't think you progressed very far on that deal. So the one hundred million on the old basis could only be invested once in a century. Right down here in Cleveland, the Republic Steel equipment costs $8,500,000. That is not the property--that is the equipment cost--42,000 horsepower motor speed, over 2,400 feet per hour of 96-inch steel sheets. Only has to be operated between 75% and 80% of capacity, and it pays off the capital investment in 36 months. So now, instead of hand tool and hand toil rate of capital payoff, you pay off in three years. We could reinvest at that rate 33 times in a century. Now, what is the name of your continuous equipment making radial cylinders for aviation? Greeley equipment. That cost $800,000. It wouldn't make any difference if the cost were $8 million or $80 million, the Greeley equipment pays off in 10-1/2 weeks. Are you beginning to see the picture? Approximately 5 times in a year or 500 hundred times in a century.

We now have capital in the United States that has been invested in this modern technology, but we are only interested in the total of credit available. It will ruin the cockeyed system, because you would have no place to invest it. Remember, technology will reduce that 10-1/2 weeks to where you wouldn't have one week's operation, and it pays for itself. Well, you can't run banks or fiscal systems on any such basis as that. Now, your hand tool and hand toil economy was a relatively sound and simple thing that required 100 years to pay off your capital investment. You were assured your interest and return and the amortization, and in a hundred years you got your principal back. But here you put your money in the Greeley equipment, and in 10-1/2 weeks you've got the headache all over again. Where are you going to put it? And when you start investing that way, soon you will get all the old equipment out and put in new equipment, and it will pay off in less than the Greeley equipment.

You see what a dilemma your financial system is in? Yet Technocracy predicted this years ago. The war is shoving the energy curve up, reducing the taxable area. Do you see cities and counties trying to get rich on taxable income? You don't notice it, do you? There are going to be difficulties--there will be more and more difficulties, and your banks are drowning in their own liquidity at the increase in new equipment. The new equipment will have to be faster, more energy consumed per unit of time; in other words, our system has about as much chance of surviving as a celluloid dog chasing an asbestos cat in hell. Seriously, the more production requires less man-hours, requires smaller space and less taxable area, and pays off the capital investment in faster time. Of course, these are things very few people ever have time or data to dig into, but you can't beat it. Any banker will tell you the same thing. They are trying to shift the taxes over to exchange value, that is, the sales tax. They are not getting it from assessed value; that is shrinking.

For instance, the millionaires with 20, 30, or 40-room houses, do they want to hang on to them? They will give them to you. For instance, Mrs. Montgomery Flagg rented her house a couple of months ago. It has its own private beach, sunken solarium, library, a collection of phonograph records, complete with glassware, linen, and everything else--four master bedrooms--at $100 a month, complete. Well, why not? It is two miles from the railroad. Americans have forgotten how to walk. It is forty miles out of New York, and you can't get there on an "A" card, and it is too far from the station to travel every day. One hundred dollars for the works. She doesn't even ask you to pay

the insurance. She also wants to get rid of the stigma of the name of the place. You haven't heard about the battle with the sanitation department. It is about a 600-acre estate. Well, that is the type of thing that is happening.

If the government borrows from the banks, the banks will be more liquid than ever. At the First National of San Diego, when I was there, the president turned down one of the biggest accounts in California. He said, "No, we don't want it. We are loaded up now. We want some to take our money out." They are all in that position. Yet you can look back, and you had banks in this country that were ready to fold up. Some of you remember that other side of the picture. That is happening all over the country. And it is going to continue to happen, and as we increase power-generating capacity and build more plants, it will shift the emphasis to other areas, a shift in population, and, of course, shift the increase in the plant capacity, and your taxes go to the devil.

Do you want to see a ghost city? Go to Spokane, Washington, or Fresno, California. There are no war industries there. Several-story buildings are boarded up. Stores empty, block after block, and you see old men and women sitting around and looking as if the enemy has just moved out a few hours previous in that area and waiting for the other enemy to move in from the opposite direction. Every able-bodied man or woman that could swing a shovel or pick has moved out to get a job in a war industry. Well, it's sad. The restaurant owner doesn't know whether he will be in business another week, and he will tell you he hopes he is not. He can't take any more of it. It isn't his fault, remember.

The sugar beet farmer and grape farmer and orchardist were stuck with beets by the million, grapes by the million, etc. The army was taken out to help--kids out of high school, but it was sporadic--no organization. That is what is happening in these United States of ours. Remember, we can look back at our records. We put it up there years ago. We said it would happen in 1942. We are in a beautiful position. We can look down at anybody on this continent in our inimitable fashion and say, "Well, sap, you might have been nice, successful people, yes, but look at you now."

# # #

TRANSCRIPTION BASED ON QUESTIONS ASKED

Many of you wonder why in our program of total conscription we specified the same pay basis as that of the United States Army. Lots of you think it is the same pay basis as the private. No, it is not that. The average citizen knows what the men receive from private to general, so that is no shock to him. If you tried to explain it to him that all should get the same, you would have to fight this conditioning. Under total conscription, the United States pays all the civilians money, and why? Because the citizen wouldn't want to be without some money in his pocket. Now there would be no banks or safe deposit boxes. Everything being rationed, you could still have a roll of one dollars in your pocket. All bills and denominations larger than one dollar would be called, and it would be illegal to have in our possession denominations larger than one dollar. When you pay out, you would pay out these one dollar bills. A general gets $700 a month. Did you ever try to carry 700 one dollar bills in your pocket? You didn't realize how humorous it is. You wouldn't realize it if you were not members of Technocracy. They saw it and the answer was this: "We've been calling the wrong man in this country a son-of-a-bitch." Remember, you can't deposit this money in banks or in safety deposit boxes. And you would spend it with the United States Government. The government will only give it to you so that your conditioning would not be too upset. You will feel quite successful with one dollar bills in your pocket. Remember, with one dollar bills you can't buy any property, you can't buy items of value, because that will all be rationed to you. And you can only pay fancy prices. So recreation and luxuries can be had by means to take strips of paper money away from you. You won't be able to buy anything anyway. You won't have to explain that to the general public of the United States. What it really is is the education of the sap in practically no time. You are wondering with a pocketful of paper what in hell is the sense of doing it this way. Never let it be said Technocracy hasn't a sense of humor.

QUESTION: Give us the detail of the liquidation of the white collar group.

Technology is going to liquidate the white collar workers or the middle class. The government of the United States is going to do that. It is doing that right now. Technocracy isn't going to do it. It tells the government what to do, then the government goes and does it for us. If you will notice, when Technocracy proposes something, the United States Army invariably follows suit. Very interesting to watch. They never miss. They may take a while getting aboard. Technocracy proposed having the government close all foreign literature. That is in the total conscription program. There is a statement there banishing all foreign broadcasts in foreign language for domestic consumption, or publishing newspapers in a foreign language. What we ship abroad is another matter. Printing newspapers here or broadcast in a foreign tongue--there would be only one language. Current news on scientific material that can be transmitted over the world has nothing to do with that. It is a question of everyday existence. We are here whether we are German, Poles, or Hungarian. Let's speak the one language. It happens to be the language of the majority.

QUESTION: Was Technocracy instrumental in taking Father Coughlin off the air?

We didn't. The United States Government did it, but the mistake of the Catholic Heirarchy was that they didn't take him off before they were forced off.

QUESTION: What effect would having a pocketful of folding money have on gambling?

Well, you can gamble if you want to, but what can you do with it? You begin to get the idea? You can get a whole taxicab full. Then you have more than the government paid you. Well, then you would lose it all.

Don't worry about the deal with General Eisenhower and Darlan. That deal was made by Robert D. Murphy, the charge d'affaires, Leahy, and counselor representatives, the State Department, and General Eisenhower. Don't accuse the army of making the deal with Darlan. When the army got there, it was a fait accompli. Entirely a different situation, but I don't think you have to worry about that.

QUESTION: Is Technocracy in favor of giving all of Europe to Russia?

Frankly, we don't give a damn what they do with it. Of course, as far as Asia is concerned, you have 16 million in Burma; you have 43 million on the Island of Java. And as to the present situation, if Japan is permitted 10 years to control Asia, it is doubtful whether the white man will ever go to Asia. Right now, of course, a lot of people are hollering about the British in India. Well, the biggest mistake the British made was that they entered with the Christian spirit. That is the big mistake. They should be executed for that. When they entered India, there were 110 million Indians--now there are 370 million. The Dutch were the worst--they multiplied the population of the Island of Java four times. The Americans were on the road to better the Dutch.

Now, the mistake that was made in India was the introduction of hygiene and engineering, increasing food production and decreasing the death rate. These factors doubled the population. But the Americans, French, and Dutch were all equally guilty. Ghandi wants the Indian to go back to 2-1/4 acres of land and to operate it by hand tool methods. I sat with 40 leaders, cross-legged on the floor, and, frankly, they are not worth a damn. I happen to know a great deal about the steel plant in India. I have a very good friend in India--he is the same height and build I am. I am probably more responsible for the steel plant in India than any other man in the world. It was built right here in Cleveland.

The Indian is in a peculiar mess. Now, he still wants to hope India--with over 10 million cows--wants all the higher birth rate, and yet he wants to get rid of the British. Just like the Irish. They want to get rid of the British, too. But let me hand you a few facts. The Island, in the last 70 years, was the greatest exporter of capital per capita than any other country in the world. I mean the Irishman in Ireland. The British are guilty, too, but the Irish in Ireland

were worse than the British ever were. The export of capital per capita made by the Irish was the greatest of any country in the world. It is tough to take.

Now, the British made the mistake which the Japanese are throwing out, such as faucets and sanitation, and why? Because the Japanese are not cursed with the nice Christian people. They know that China and that area around there levels itself off every twenty years by disease and famine. The Japanese have the problem that the white man created for himself and for the Asiatic in that area by being so damned good by creating more Indians, more Chinese, and more Burmese and Javanese, and so on. Java can't support herself, has had to import many things, so they sent missionaries over to sell them and real estate and most of them didn't know what the hell it was all about. Those are factual problems.

Remember the famine in China a few years ago? Technocracy was the only organization in the United States that sent a protest to the American Red Cross in Washington, that there was no sense in sending food to the famine area in China, as they had no means of transporting it from the river to the famine area. It was 125 miles from the river. To send any food that was transported by human animal would require all that food that he could carry just to travel that distance. Well, the Red Cross sent the flour, food, etc., and it was put on the open market in Shanghai. Well, why not? They knew it couldn't be done--it couldn't be sent to the famine area. They were sensible. We were the dumb ones. Now remember that the white man cannot live in equatorial Asia. According to the Geneva Conference, an agreement was made to feed each other's prisoners the same food as their own armies. The Japanese prisoners will be our men. If they are kept a year, there will be no prisoners. They will die of dysentery, etc.

QUESTION: How is the Army taking total conscription?

The United States Army is better fed than most citizens in the country. Don't forget you get men out of all kinds of situations in the United States. You are taking people out of the south and giving them a decent diet for the first time since they were born, and you put them in the armed forces, straighten them up, and they are putting on weight. They don't have to worry about clothes, food, or taxes. No trouble there.

The Russian strategy is over 800 years old. In spite of all the German works on strategy, they couldn't conceive--and they never had the courage or the territory to generate--such conceptions. The Russians defeated the Teutons, Poles, Finns, and Tartars. Charles XII of Sweden and Napoleon -- they licked the Russians until the last time. Charles of Sweden got out with himself and a few of his general staff. Napoleon crossed the Don about September 12. His official communique said the day was mild (on his famous retreat of the Grand Army of France). The engineers stood in the water and held up planks for Napoleon to cross. All those wonderful pictures showing the Grand Army being frozen to death and dying in the snow is pure nonsense. The casualties of his army were 30%--the best veterans of Europe. The Russians died, too.

What happened to the Russians in the last war--with a rifle for every eighth man--they had to wait for a man to die to get a rifle. Remember, their casualties were greater than the combined casualties of the British and Germans (from 1914 to 1917). It was the advance into Russia that stopped the Germans. Russia attempted in a 96% agrarian economy to mobilize 12 million men. There was a breakdown not because of Bolshevism--they were against it--that didn't have a damned thing to do with it. They attempted to mobilize 12 million men in a 96% agrarian economy, and the roof caved in and the cellar blew up. Don't forget we are attempting to mobilize 74 million human beings, and if you think you are going back to where you were -- the hell we are!

It may interest you to know that there is a gray cloth manufactured in Great Britain with Technocracy woven in the selvage and shipped across to Canada; in fact, some of it is coming to Seattle. They are bringing it in with Scotch whiskey. So now it is properly aged. One of the ironies of the war. In a mining town in Canada, there are 27 more gray suits in October than in April. Funny people, those Canadians. They have taken it on the chin a great deal longer than you have here. They know what it means.

We are shipping food and equipment to Russia but not the food and equipment that she needs. According to Russian communications, she is not satisfied with our tanks. They are gasoline-driven tanks, and she has just cause for complaint. On the Stalingrad front, compared with the Verdun battle, the greatest mass attack of the First World War, there were 10 divisions at one time and that was without tanks and dive bombers, purely artillery and machine gun fire. In the greatest single attack on the Stalingrad front, there were 30 divisions headed by 1,200 tanks and 1,500 dive bombers. Now on this front, Russia is fighting 243 divisions of the German fascist army. In the First World War there were only 179 divisions--79 German divisions and 121 total divisions. The Germans in this war were stopped by superior firepower, not by courage, and when armies of that size are stopped, they are stopped because there is firepower and organization and strategy and discipline. The Russians always narrowed down the defense in depth and continuing the frontal attack. Germans were first on a 2,000-mile front, then narrowed to a 700-mile front. All the Russians need is the guns. Of course, that is what is worrying some people--if you gave Russia the equipment, she might go right through and the British want to get there before the Russians.

QUESTION: Why was Earl Browder left free?

Well, Earl Browder was sentenced on one of those technicalities. He was the leader of the Communist Party. Naturally, the government made a trade, and the communists are not above trading. After all, Tim Buck, the communist leader in Canada can appear in Canada today with Premier Hepburn, but Howard Scott cannot cross the line. When we do cross the line, it will be different.

The Russians are the only ones that defeated the Japanese in the last 1,500 years. Russia defeated 142,000 Japanese, plus the Japanese field staff and 3,600 dead, but all you got was a couple of lines in the back of your newspapers. When the Russians won, that was a skirmish. There were 300,000 Japanese engaged in that war--the Japanese Fourth Army, or more men engaged then than there are Japanese fighting Americans and Dutch in any part of Asia. The Japanese don't want to attack Siberia. They don't want to fight in 40 or so below zero. Of course, the dirty Russians don't mind it.

QUESTION: Why don't we have air bases in Russia?

We'll have them the moment we are allies of Russia. We are not allies now. We are only exporting to the U.S.S.R. When we are allies of the U.S.S.R., we can have air bases--the moment we land anti-aircraft, sufficient heavy artillery, and 500,000 men. We can have air bases in Siberia, and we are not prepared. The Japanese are between us and the Russians.

ONE LAST QUESTION: What are the Technocrats to do in this area?

The Technocrats are to go out and get more members and consolidate your organization. Events are laying it in our lap and we haven't been wrong about this yet, and any organization that keeps on, maintains its solidarity of purpose, its strategy, and conforms to the parallelism of events--it's all aces.

HOWARD SCOTT
LOS ANGELES
LATE 1942

The United States has been a very fortunate nation. It has only had 28 years of military warfare in its history. Compared to France -- France in the last 400 years has been fighting 313. So, it is quite natural that in this expanding economy of ours in the last 167 years, we have built up the concept that peace is a normal condition of human society. We preached it in our scholastic institutions and from our pulpits and the political gas-bags also enunciated it to you so many times that you really have believed it. Gas has a facility of doing things like that. Nothing is further from the fact. Since the year 1600 BC, or in 3,500 years of human history, there have been less than 330 years of peace in this world of ours. So peace is an abnormal condition of human society and war is perfectly normal. Oh, you don't like it, huh? You will.

Of course, the last time that we had any serious conflicts within our own structure was the war between the states, otherwise known as the Civil War. Since that time, other people who have never faced any issue except the adventure of the Spanish-American and the participation in a world war. In the World War, we were not the dominant figure. In this first Total War of human history, we, the United States of America, occupy the chief position of being the arsenal of the United Nations. Now, in spite of our misconceptions and our false ideals, we are going to be forced -- not by Technocracy or by the Republicans, but be forced by the march of events into an interesting social transition.

It is true every war in human history, except within the last 100 years, has been fought with hand tool weapons by armies from human toil and hand tool economies. They depended for the maintenance of their armed forces on what they could acquire from enemy territory. Their firepower rate was so small that it really didn't matter. In Napoleon's time, one man at home could maintain two in the Napoleonic Army. By the time of the Franco-Prussian War, the ratio had reached 1:1. In the World War, approximately 3-1/2 were required on the home front to maintain one in the armed forces.

In this Total War, due to the fact that a Total War is also a technological one and the firepower rate is several times that of the World War, we will require a higher proportion of human beings mobilized on our home front to maintain our armed forces. But many of you have the idea that all you have to do is buy War Savings Stamps or Bonds and then sit back on your posteriors and feel that you've done your patriotic duty. Well, you are really not to be blamed for that, because you were brought up and conditioned in probably the swellest bit of chiseling economy the world has ever known, where the dollar sign has been recognized as a sign of success. Naturally, we've been the most successful nation in human history. We have created more multi-millionaires out of morons than all the rest of the human race.

Technocracy, for the past decade and more, has been like John the Baptist crying in the wilderness, trying to bring the people of this country and of this continent a message; and if you will look back, you will remember that we said in the year 1942 you were going to get it whether you liked it or not. Well, it's here. A lot of you felt that, "Oh, no, you didn't want to be regimented, you didn't want to have any planning, you didn't want to have any design." You all wanted to be free, bright, and to choose your own clothes and wear whatever you damn well pleased. Well, all one has to do is to look at you to know how successful you've been at it. The chiselers of the garment trade sold you the fashions and look at your female . Why, if you let her out with any money and she comes back, you don't know her.

Now the women are being drawn into the war plants, and they have to wear slacks -- nice blue rayon, for instance. And the interesting thing about it is the smartly fitted rayon slacks are much more conducive to a matter of figures, let us say, than all the clothes of fashion ever were. You can see the figure quite distinctly. Furthermore, the girls working on the job realize it, and they have them fitted a little more accurately.

There are other things, of course, that that regulation dress of female employment are also conducive to. The lady doesn't have to wear stockings; she can wear bobby socks. She doesn't have to wear any of those horrible things known as foundations -- that would interfere with that fitting, wouldn't it? So, for the first time, the American female, not by her own intention -- oh, no, not at all -- but by the force majeure of the march of events in organizing this country for war, she is forced into a position where she is much more attractive than she ever was. And having discovered a whole lot of new curves that she never knew she had before, she's not going to go back to those things that her mother used to wear. Well, why not?

This is a technological war, and in order to win this total war, we will be compelled to install more and more technological equipment across this country and of this continent and up and down it. And the faster we win it, the faster we'll have to put in technological equipment to achieve that victory. Well, but it's going to cause all kinds of upsets. You know in your community -- the thousands that are here tonight -- you live in quite a few communities, and next door to you or on the next block, there exists everywhere in each community those nice, successful people -- you know the kind. They have a little bit more property than you have, made a little bit more money that you have, and naturally they're an authority in the community in which they live; and now it's going to come out that they're going to be the curse of the continent. In other words, the worst curse we have is that successful, nice person, because the more successful they were yesterday, the dumber they're going to be from now on out; but they're not to blame for it, not a bit.

There are approximately 1,700,000 retail stores in United States, and Technocracy predicts the mortality list will be 40 percent of that number in the next sixteen months. Well, why not? You don't have to have all these retail boys when you have rationing, when you haven't the total number of articles to sell. Just as you do not need the advertising nationwide or newspapers or billboards or over the air when you can't sell what they're advertising -- when you haven't got it to sell.

Well, newspapers are going to be smaller and thinner. The Canadian Government is withdrawing 960,000 horsepower from the paper industry of Canada. They're already shutting down paper plants in United States, and such big paper plants in Canada as the Ontario Pulp & Paper, the chief supplier of the Chicago Tribune and the New York News, is going to be closed. You have a few papers out here, too, that will have a little perfume. Chicago and New York hasn't got them all, you know. And those probably will be reduced in size, too.

We have a farming situation -- it's nationwide. The big farmer with five to ten calves or the big dairy farmer with 150 or 300 or 1,000 milkers had to depend on employees to maintain and operate those farms. The farm wages were nothing in comparison to what could be obtained in the shipyard, the aircraft plant, or the munition plant or the tank plant. Well, they've left. The small farmer, who had the two young children -- a boy of 12, say -- well, he reduces his maintenance on the farm, his cows to one, and leaves the one cow, the children and the wife to take care of that and goes out to a war plant, too. That is happening clean across United States.

The number of auctions in dairy farms has risen. You find them in Wisconsin. The third greatest dairy farm in the State of Nebraska, the other day, was sold at public auction. Why, because the man wanted to quit? No, because he couldn't maintain it. You're going to be hit right here in California with it -- right next week; and you'll remember what we're saying tonight next week. Because you're going to find difficulty in milk, butter, and especially beef, and some other meats. Your mutton quota will be the best, approximately 95 percent of last month, but beef, that's out. Your pork approximately 35 percent.

Well, the only way you could get any intelligence into the average American's head, collectively speaking you know, is to slap him with something. Technocracy has always told you that your government is going to do it for you; so, it is going to put you people on the spot to where it's going to compel you to. Going to have gas rationing, coffee rationing, all kinds of

rationing. All the war has to do is to go on another year, and there will be standardized clothes for all the males and females. Isn't that going to be lovely? Why, for the first time, you're all going to look like Americans. Well, why not? The boys in the armed forces have to; and why shouldn't the rest of us?

We're short of material, short of manpower, and the only efficient way to do it is standardize it, and you can have better looking clothes than you have now -- wearing tonight; because there isn't one in 100,000 that ever goes in for style; 99.9 percent of you go in for fashion because the lady next door bought it or the man at the next desk bought it. We're the greatest bunch of imitators in the world, and we can't afford to let somebody else be too much different. We have to all look alike, but just a little bit different; and, yet, that's on its way and coming. Don't feel badly about it if the suit you have on tonight or the dress is the only one you have; be thankful, because then you won't feel hurt about losing so much.

Now, when you all get in regulation dress, you won't have that holier-than-thou feeling regarding your fellowmen, will you? You'll be able to practice that Christianity you've professed so long. Oh, I know that many of you feel that I'm being perfectly nasty after rubbing it into you. Well, I'm only telling you what's coming to you, because the conditions are going to rub it into you.

You haven't had gas rationing out here. In the East, we've had it for some time. It might interest you to know what happens after you've had gas rationing for 3 or 4 months. Well, let's take, for instance, an interesting cross-section, the corner of 42nd Street and Second Avenue, New York City, on a Sunday afternoon. There are two lanes of traffic in either direction, and prior to gas rationing to attempt to cross that against the light would be suicide. They just whoosh past there. Everybody who has a car is bound for the Island over the Queensborough Bridge or bound north. Well, <u>now</u> you can walk out there about 2:30 or 3:00 in the afternoon and glance north, and, yes, there's one about seven blocks up there, and you glance in the opposite direction, there's one about six blocks from you. In fact, you can hold a parliamentary discussion in the middle of Second Avenue.

New York has a real dimout -- not what you have in Los Angeles -- comparable to what you have in Long Beach. The result is very interesting. People used to go downtown at night to do window shopping in New York. Now there is no light lit up in any window in New York after sundown. If you want to see in any store window, you have to have a flashlight. The result is that people do not go downtown in the evening. Besides, four gallons a week won't take you very far.

The wealthy people who have homes 8, 10, and 12 miles from the railroad tracks don't want those homes any more. They'll almost give them to you. Fact is, we know of a few cases where they have paid people to take the place off their hands. Well, the widow of a nationwide illustrator had a magnificent home out near Mamaroneck -- five master bedrooms, solarium, completely furnished, dishes, linens, everything, private beach -- but it's a couple of miles from the railroad. She rented it for $100, completely furnished, everything -- dishes, library, everything in the house. Now you see what's beginning to happen.

Of course, now, if you're in California -- the home of the escrow Indian, you built one subdivision after another -- or one wigwam, I should say, after another, and you spread out from hell to breakfast, didn't you? Well, it's going to be funnier out here. Back East, and out here, of course, occasionally criminals attempted to counterfeit the United States currency. No more. They're not interested in counterfeiting money any more. What the hell good would that do? They're all engaged trying to counterfeit ration books; and there has been a considerable number of arrests of attempted counterfeiting running up into several million dollars each. We Americans are the smartest people on earth individually, and if any scarcity occurs, either actual or enforced by business speculation or political legislation, we Americans get up early the next morning and immediately jump into bootlegging that scarcity. Now, in the bootleg days,

they only had one commodity to bootleg, but let's look ahead a minute. With 100 to 200 major essential items of human consumption we've placed on the ration list, bootlegging is going to be the major pastime. I know, you laugh at it, but you're going to be hit by it and hit where it hurts. Who is going to pay for it? John Q. Public -- you are, all of us.

In the New York milkshed today, the United States Government purchases all the milk from the farms and then sells the milk to the milk distributors at a loss so the milk distributors can make a profit distributing it at the retail milk ceiling. Well, suckers, how do you like it?

The Big Five packers are making a similar proposition, that the United States Government purchase all the meat on the hoof from the farmer, the buyer, and the feeder-shipper, and then pay the Big Five packers cost-plus to process the meat, and then sell sufficient meat back to the Big Five packers so the Big Five packers can sell at a profit to the retail distributor outlets. In other words, the Big Five packers, all the shippers, and all the meat industry want to stay in business at a profit on your money. Now do you think you're going to get equitable meat distribution under such a cockeyed system as that? You're not and you know it; but your conditioning is such that deep down inside you say, "Oh, well, I know a few angles. I'll get mine." You're smarter than the next guy, aren't you? You'll get up an hour earlier in the morning. Well, you better stay awake all night in this case, because it isn't going to be there to bootleg, brother. You've forgotten that.

This war has already produced vast changes. People have poured in here to this city in thousands, but do not forget they have poured into other cities in vast numbers. Two hundred fifty thousand white southerners have moved into the City of Detroit. Out here you have the advantage of climate and your trailer colonies. Yes, one can live out here in a trailer colony; but the trailer colonies that are spread out around the City of Detroit -- remember, it gets cold there, and they have thousands of women and children in those trailers. Technocracy predicts that if this winter is wet and cold, there will be an epidemic of pneumonia and flu in those Great Lakes war centers. Another example of our total anarchic, unplanned operation of our war effort.

In Mobile, Alabama, 95,000 people have moved there on top of 36,000. There are whole sections in Mobile that have only one water tap for 50 people. Well, maybe they don't have to wash in Mobile.

All these items could be repeated from New Britain, Connecticut, clean across the United States.

We're in the midst of the biggest boom that we've ever known. We're getting "nigger rich". We've got our snoot and all four feet in the trough at the same time. You know it, and you're enjoying it. Nobody blames you. Don't misunderstand it. Technocracy is merely pointing out that you cannot go on with it very much longer. Now, why can't you? Because if we have to reach the figure of 10 million in our forces, it will require the mobilization of 34 million industrial productive personnel in our war production, plus 30 million in civilian consumer goods and services. That's a total of 64 million. We have never reached that figure in any peacetime year of operation. It means that we will have to draft millions of women into national service. We will have to abolish so-called businesses, and the businesses <u>are</u> being abolished. You can watch the small stores and restaurants closing up. After you have had rationing here for 60 days, just look your situation over and remember tonight, will you, because you can count them on your fingers. You can get a little game going with yourself: go down the same block once a week and see how many more fingers you can add.

All the successful, nice people -- look where they're going to be because that's what they are. They were the smart, smart boys of the country, weren't they? And through no fault of theirs, they're now going to be liquidated, and you're probably going to hear more screaming than has ever occurred in the history of our country, because the nice white collar class is

going to have its -- I was going to say something, but I won't. They're going to lose their white shirts.

Now one transition after another is going to occur. Farming cannot be cured by the draft or special law. You can have deferments for the farmers, but that doesn't stop it. The personnel is already gone. Let's take an area in any one of our larger farming states of 25 miles by 25 miles, or 400,000 acres. There's a road in each direction every mile. There's approximately 4,000 farms of national average size in that area. Four thousand-plus sets of buildings, 4,000 houses, and 4,000 sets of farming machinery. If we attempt to operate farming on individual enterprise, individual farms, we neither have enough farm labor nor do we have enough farm equipment because of our failure to produce spare parts. But on the other hand, if we operate agriculture by pooling the equipment in a 25-mile by 25-mile block, we will have sufficient personnel and over six times the necessary equipment. Think it over. We can have 2-1/2 times the total operating equipment in operation and scrap the remainder.

The same thing occurs in our national transportation problem. The rationing of gasoline is no solution, because what our problem is nationwide is transportation. Ninety-five percent of America moves on wheels, and rationing of gas is not going to provide that transportation. It is still going to leave it wide open for the individual owner of an automobile after trying to get his gas, tires, oil, and spare parts as best he may. Well, if he has more money than his next door neighbor, he's going to offer it. Why, you can't expect the girl to go around for money anymore, but she may go around for a ration book. We might just as well face the facts. Rationing will not cure our national automotive transportation; on the other hand, if we conscripted all the automotive vehicles -- busses, trucks, and private passenger -- and reassigned those to industrial plants and to areas to make a defense transportation squadron, it would take the individual matter out of the hands of the individual; and no individual would have to compete with any other for gas, oil, tires, or spare parts. It would then be part of the defense transportation of the United States Government, and the United States Government would have to provide you, as war work necessary citizens, with fair transportation. That is the only way to achieve it equitably. This way you're all encouraging every one of you to commit crimes and misdemeanors, and you're going to commit them on every possible chance that you can; because if you think that you can find some gas or something else faster than your brother over there, you'll do it. Well, realize what it means.

The same thing occurs in public feeding. The restaurants of United States under private operation today are totally incapable of handling the feeding of the public of United States under a ration program, because, remember they are operating for a price and a profit. There is sufficient restaurant equipment in every major city to run national feeding establishments 24 hours a day, but not if you attempt to maintain all the greasy spoons you have in Los Angeles or in any other city.

We haven't got enough cooks now -- good ones -- to feed the public or the United States Army. We're still trying to kid ourselves that you can run a private restaurant and make money and adequately feed the public under a complete ration program. What's the steakhouse going to do for customers when there are no more steaks? Do you know what Donnegals, the famous steak restaurant in New York, does on meatless Tuesdays? It closes completely. And it won't be long before it closes all the days in the week. You're going to have the same things happen here.

Our milk, our butter, eggs, meat, food in bulk in the production in the agricultural end and in the retail handling of it are in jeopardy. It's in jeopardy because you -- meaning each and every American -- haven't bothered as long as you have been able to get yours. You've never paid any attention to the problem of how your own country operated -- not once. But once in four years, you went down and put a cross on a piece of paper, went into the nearest bar and got a drink and said, "Well, you did your duty". Then when you came home, you told your wife how proud you were to have participated, and she, knowing how dumb you were, patted you on the back and said, "Yes, darling".

HOWARD SCOTT
LOS ANGELES

Late 1942

In the last national election, there wasn't any issue between them, and yet you went out and voted. You didn't know what the hell else to do with yourself. Well, in this Congressional election, you were just too busy to get there, and you didn't give a hang; and the vote that did roll up was a mere protest vote -- not that it was Republican. There aren't that many Republicans in the country. Americans, of course, when they move anything politically, they never do it because they're for anything but always because they're "agin" the one that's in. You know that. You want to cast a vote because you don't like it, you're "agin" it. But for anything? No. You never had to be for anything in your lifetime. Technocracy warned you you're going to be compelled to be for something in the next two years. Not because Technocracy is going to compel you -- you're going to be compelled by the march of events.

You pull 10 million males into the armed forces. They're going to leave the competitive practices of private chiseling and surrender all those nice prerogatives and don a uniform at $50 a month and up. Well, "You're in the Army now, you can't get rich ...." You're going to be in the army soon, the Army of National Service. So, don't you join that hymn. We'll have to put everybody on the same basis.

In the last war, we manufactured 30,000 new millionaires. In this one, we're headed to make some billionaires. Now, the taxes that you're going to have to pay pretty soon -- some of you feel are pretty steep. But they're not steep at all. They're only half per capita what you would pay in Canada in a similar situation which you are now. You still have no forceful deductions from your pay and salary checks. In Canada, there are 13 deductions every week from their paychecks. Oh, yes, how would you like to be receiving $58.50 a week in Canada for 52 hours' work at $1.125 an hour and have $13.09 deducted? You never see that -- and then pay an income tax on the total amount.

What did we tell you? That if you're in the army, you didn't get rich? And we've been enjoying this boom, that gravy trough we're in now. Well, lick that gravy up, brother, just as long as you can, because that gravy train is going to be a dry boat before long.

This fiscal year, ending next June 30th, the taxation will be between $20 and $21 billion total taxes collected. The total expenditures will be $84 billion. Oh, well, but wait a minute. We've got another year coming. The present tax program for next year cannot collect greater than $26 billion total taxes, probably only $25 billion. But the estimated expenditure already down on the books is $108 billion. Within a few days, they're going to float that $9 billion new victory loan. That's the biggest single flotation ever made. But 9 billions is only a drop in the bucket. We're headed for greater and greater amounts.

The banks of the country are drowning in their own liquidity. Back in 1933, they were freezing to death in their own frigidity; now they're drowning. The Treasury Department could borrow from the banks, but the banks of United States don't want the government to borrow from the banks, because if the government borrowed from the banks, the banks would be more liquid than ever. Isn't that ironic? An amazing dilemma of our country, with more gold, more silver, and more money than any other country in human history, to find that there is plenty of money, where banks are drowning in it, and yet our government shouldn't borrow from the banks because the banks would lose their "onions". Ask your banker, he'll tell you.

Your bankers are in such a liquid position that they're shortly going to indulge in a campaign for nationalization of their institutions, so they can get on the Civil Service payroll. Why not? And when you've gone through the anarchy of this cockeyed private enterprise handling of food rationing for about 60 days, you'll realize that in the armed forces, at least, you'll get well fed in there. And you'll probably get there some way by hook or by crook.

It's a dirty trick that fate is playing on us. Here's all these successful, nice people turn out to be no damn good. Correct? In other words, all the rats but you, the genius turns out to be the height of moronic mediocrity. Now realize what we're headed for. Two years more of war beyond this fiscal year, and our debt will exceed $300 billion. Three hundred billion

dollars and you're going to pay it off? Ask some of those successful, nice people that you know. Ask them what they're going to do about it, because they're the ones that got us into this.

On the other hand, we face a technical problem of mobilizing 64 million human beings to operate our war economy. Now to ask any individual to participate in having his job changed or to move from a geographical location to another geographical location, probably surrender his seniority rights, to ask him to do that on a voluntary basis, it can't be done; and he's perfectly correct in resenting it. There's only one way it can be done: That is the Total Conscription of all Manpower, Machinery, Money, and Materiel. Well, the United States Government can conscript us the same as conscription for the armed forces. The United States Government will assume economic responsibility for each and every citizen for the duration of the war and six months thereafter.

Remember that when you enter the armed forces, the United States Government assumes economic responsibility for your food, your clothing, your shelter, your health, recreation, and transportation. Now realizing we cannot interject 64 million human beings on a voluntary basis, it will have to be done on a compulsory basis of national service; therefore, each individual citizen would have to have the government assume economic responsibility for his and her subsistence the same as it has assumed for everyone in the armed forces of United States. Well, true, your income -- what would it be? Your income would be on exactly the same basis as the United States Army. What -- you say I can't make any more than a general in the United States Army? Well, let's see how it would work.

A Total Conscription is passed by Congress in an enabling act and signed by the President and Commander-in-Chief. All your bank accounts would be frozen. Why? Well, it wouldn't be fair for a man to have a million dollars in the bank and you only have a hundred, when he could use the million to chisel in the market and you could only use the hundred. So, we'll freeze all bank accounts for the duration of the war and six months thereafter. Every citizen in the United States would only have the same economic income as the United States Armed Forces, and no other economic income. Your safe deposit boxes would also be frozen. So, the only income you would have would be your monthly check from the government. All life insurance policies and premiums would be frozen. All taxes, union dues, all debts would be frozen and all litigation. That would be kind of tough on the lawyers, wouldn't it? Well, of course, somebody says right here, "How about Mrs. so-and-so? She derives her livelihood from those ten mortgages she has." Well, the mortgages would be frozen and she would receive her check; if unable to participate in any other service, ill health or age, she would receive her check and her ration card the same as anyone else.

There would be no rent, of course. That would all be frozen. Now you see, there would be no pecuniary dealings of any kind whatsoever, would there? And all bills larger than one dollar would be called in. You'll see the reason for this in a moment. The only denomination of money that you could receive for the duration of the war and six months thereafter would be one dollar bills. Remember, you can't open an account in a bank. You are beginning to get an idea where this is going to, aren't you?

Now it's done with the same money. We're not proposing to alter the Constitution, the legal and civil system or the fiscal system one iota. It is an organization for an all-out war effort. Now remember that the store owner or the plant owner or the farm or the owner of any land, equipment or materiel, whose property was taken over by the United States Government under Total Conscription would receive a United States Treasury Certificate of Deposit payable in money or in kind six months after the war.

Well, look, the average retail store owner -- the sap would be better off, wouldn't he? He wouldn't have any rising fixed charges, he wouldn't have any headaches, and he will have a job with something to eat -- guaranteed security for the duration. So, these smart, successful people, you see, weren't smart at all. They didn't figure this out. But we're going to take them in in spite of it.

Now assume, for instance, to give you a case: A man is a foreman over here and occupies an $8,000 house, has $1,200 in the bank and $15,000 of life insurance, and he passes away. His will would be probated in the usual manner by the court, but his estate would not be distributed. It would be held by the court for distribution six months after the termination of the war. He would be buried as everyone would be buried by the Funeral Service of National Service; namely, a plain pine box. Well, his family would be in the funeral, wouldn't it? But the state would be richer than it was if you permitted the jackass to operate as he does now, because he couldn't pay his $500 or $1,000 or $1,500 dollars for a funeral -- just a plain pine funeral box. Well, now don't get upset ethically or think esthetically it would hurt your feelings, because there's going to be a good many boys buried in a pine box, realize it. And for heaven's sake, why should we manufacture satin-lined caskets just to make your relatives and friends feel better when they look at you cold?

Our railroads are still running as separate corporate enterprise. Remember, our railroads are demanding their pound of flesh. They're demanding their quota of trainloads of war material, regardless of the fact that the war material may have to travel 1,500 more miles to the same port than it took by shorter railroad distance; but then the other railroads wouldn't get their quotas if you shipped the nearest route. All railroad equipment will have to be pooled. We cannot operate the railroad transportation of United States if we increase our production considerably above what it is now, except as a national transportaiton and not as a privately-owned railroad corporation.

We can go on down the list.

Here's the steel companies of United States, that only a few years back -- about 15 years -- the United States Steel Corporation stated that the steel industry had sufficient capacity, that it wouldn't need to have any new construction. The steel industry in 15 years were only 40 million tons wrong. Another one of those successful, nice people. Magnesium and aluminum were the same.

I wonder how many of you remember Technocracy back in 1934 and '35? Quite a few of you. Well, this organization up and down this continent on its platform and in its literature protested the shipment of scrap steel, of nickel, lead, zinc, copper, and petroleum to Japan, Germany, and Italy -- in 1934, 1935, and every year since. We have given the figures; for instance, in 1940, we shipped 22,734,000 barrels of petroleum from these United States to Japan, and most of it from this State of California. Technocracy would like to ask you Californians, did the Californians Inc. or The Associated Farmers of California or the United States Chambers of Commerce of California, The Southern Pacific Railroad or The Standard Oil of California or The Bank of America or of any other corporation in California -- did any damn one of them ever protest the shipment of steel, oil, and other materials? There's not a single one ever went on record! Why? Because it was all good business. And don't forget, you may hear the phrases that we have used. One of those phrases was, "Mrs. America, don't squawk when your son is killed with a Pennsylvania coal car, a Ford rearend or a 6th Avenue El." Kind of hard to take right now, isn't it? But don't forget, we said it seven years ago and we're still saying it today.

We could have stopped it, just as this organization pleaded for the fortification of the Aleutians and our islands in the Pacific. We pleaded for highways and railroads to Alaska. True, the United States Engineer Corps followed our Alaska No. 1 route laid out by Technocracy as far as the Liard. They didn't follow the other route laid out and recommended by the Alaskan Commission or the United States-Canada Commission -- they followed Technocracy's. Why? Because the United States Army Engineer Corps told them, and they knew we had the goods.

Remember, we pointed out many times that if we had had the fortitude -- or to put it in plain terms, the guts, to have given the WPA the engineering direction and the technological equipment, they could have built highways to Alaska, railroads, and an interoceanic canal long ago. They would have been finished before now. But no, we couldn't do it, because we couldn't permit an efficient organization of our unemployed because it would interfere with private business.

You have no adequate transportation system in the City of Los Angeles, because business is so interested in selling you individual installment plan jalopies. You have two gauges of street railway, the PG&E standard and the other .... They can't even run their cars on the other's tracks. We're almost as bad as the Australians that have five railroad gauges in five states. We couldn't change all of that before, could we? No. You know what everybody said, "Oh, let's don't bother with it now. We don't have to." Well, that's coming back on us today like the 6th Avenue El and the Pennsylvania coal car. All these things are getting in because we're not organized efficiently. We're organized for the anarchic chaos of private chiseling, but it's a hell of a way to organize to conduct and fight a total war. Realize it. A totally different thing.

We can have efficient war production but not on the basis that we're going to permit individual corporate enterprise to operate each war contract as a profitable enterprise. Here's civilian operations all competing with each other in civilian consumer goods production and services. Here's the war production competing with each other and the total war production competing with the total civilian goods production, and the Army and the Navy competing with each other and the entire thing competing all around.

What the hell kind of a country do we want to have? Do we want to win the war or do we want to make millionaires? Well, let's put it frankly: If 246 divisions equipped with thousands of tanks and planes had invaded these United States of ours in June, 1941, on a 2,000 mile front, do you think we could have put up the fight that has been put up on another front thousands of miles away? Remember, that's 5 to 6 million men.

Why were the Russians able to put up the fight they did? Why do they have that solidarity? Well, let's be frank about it -- because they had no fifth column in Russia, and they had no fifth column in Russia because they have no businessmen in Russia. A little different angle, isn't it? The Russians knew that. No, don't blame the individual businessman. That's not what we mean at all. There are 243 to 246 German Fascist divisions on the Russian front -- 179 total German divisions compared to only 85 German division in the World War -- compared to the total divisions in the World War of 121. In other words, there are over twice the number of divisions on the Russian front in this war than they had in the World War.

Well, let's realize it -- that the Russians have the greatest reserve of military trained manpower in the world, that all the Russians want and all they need is more tanks, more guns, more planes, and more shells. Did we send them more tanks, more planes, and more shells? No, we did not. We sent them Wendell Willkie!

Well, Wendel' Willkie as a Republican, his days are about over; because Dewey, you know, in 1940 did all the spade work for the Republican nomination, and then Wall Street came in with the barefoot boy of Wall Street and Dewey got side-tripped. Now Dewey has been elected Governor of the State of New York and Wendell Willkie had better get himself a job in the present administration before Dewey cuts his throat. That's only natural, you know, that Republicans should feel that way about each other.

Well, these are serious times, and we're trying to make you realize without being too pessimistic or without saying too many nasty things to you. The Russians have done a marvelous job. We on the other side of the United Nations have to be the big supplier of manpower and technological equipment. We can mobilize this country internally so that our boys in the armed forces have the finest equipment and the greatest collection of equipment the world has ever seen. But remember we're still trying to sell equipment for war purposes that merely is commercial equipment. That's all it is -- with a coat of paint on it. Every engineer knows it. We build a bomber that carries 2-1/2 tons of bombs, or five 1,000-pound bombs. We naturally have to go in for precision bombing because we have so few bombs in the planes. If you had a flying wing built out of 33 sheets of plastic plywood -- and God knows we've got any amount of materials for plywood. We don't have to rob any essential war industry for that. We could turn out flying wings with four molds per line, and it would only take 3-1/2 minutes to produce a 330-foot flying wing. No rivets

in it, you know, and none of you girls would be buckers-up to those rivets, either or doing it would be a little job of spot welding. A completely molded job with a range of 12,500 miles, a ceiling of 30 to 40 thousand feet, and speed of 300 miles and over; in other words, the United States could reach every battlefield of the world from this continent with those flying wing bombers.

On the other hand, take the bomb racks and the armament out of them, and they could become giant cargo ships. United States can build them in quantity production. Other countries, of course, could design them, too, but no other country in the world has the technology and the equipment to produce them in quantity. If they were built in Japan or Germany, they would be a Swiss watch, hand-tooled job, but here we can turn them out in volume. The trouble though is that with any such thing as the flying wing is that you need only one bomber plant in United States -- just one plant to build bombers, and you wouldn't have very many employees in it. Very strange. Naturally, of course, there's going to be difficulties placed in the road of building any such efficient long-range bomber.

We could go on and give you tank designs, fighter designs, truck designs, and any other kind of designs. In fact, when you want to know where better designs are, come to Technocracy. We've had them for years. Our tank design, instead of being a 4-foot, 8-1/2 inch gauge is a 10-foot gauge, and the treads are double and outside of that; so the total width of our tank design is 16 feet. Six wheels to a side and double belt. How fast is it? Seventy miles per hour on a highway, 55 miles per hour on broken ground, and they would still be a lower profile and lower center of gravity than anything that's called a tank today, with a 30-inch clearance underneath. Any of you engineers know what I'm talking about out there? It's not out of a hat or the outside of a book.

You have to choose whether you want efficient organization, efficient equipment, or whether you want to continue as you are. Now, we'd like to ask you: How would you like to win this war and have no war debt? Well, it can be done. Under Total Conscription, the United States Government would be the only organization operating anything; therefore, if it was only one organization operating the entire country, it would be stupidity, would it not, for the United States Government to borrow from itself? You aren't that dumb, are you?

Under Total Conscription, there would be no war debt. We would come out of the war war-debt free instead of coming out with over $300 billion of war debt. Now, we can do it, but it can only be done if the public opinion of the United States is mobilized on an organized basis to present it; but if you're going to indulge in posterioritis and wait for the next rush and cry of victory, then you will probably have an institutional fascism slapped on top of you. Nothing that the National Association of Manufacturers or the United States Chamber of Commerce would like better.

How many men in this house -- and women -- belong to a labor union? Let me see. Any kind of a labor organization. Well, that's quite a number. What they're trying to shove on you is conscription of labor. Conscription of labor is fascist. Every fascist country has conscription of labor; but there isn't a fascist country in the world that has Total Conscription or would dare have it. Why? Because every human being would have the same treatment and that would be no good. You couldn't have fascism and treat everybody the same, could you?

Now there are those in our midst, who, I am told, would like to impose a fascist structure on us in the war. Total Conscription is not fascist. It's one for all and all for one on the same basis as the armed forces, while under a fascism, you would be conscripted for labor only. Wouldn't it be nice for private enterprise to have the Government of United States conscript all of you who wrote the thousand labors, so that private enterprise could get its labor at frozen costs and make greater and greater profits when you -- you saps -- couldn't quit. Well, that's what you're headed for unless you have something else to organize national public opinion.

Technocracy is not opposed to labor unions. It has thousands of members who belong to practically every labor union in the country, but, nevertheless, we are forced to admit today that the higher labor union official -- not the local official but the national -- with their high salaries, have gotten themselves into the same position as the corporate executive, with the same privileges and the same feelings. Naturally, the labor union national officials wouldn't like Total Conscription any more than the executives of the United States Steel or the Standard Oil, because there they would serve, too, on the same basis as the armed forces. But if you permit your leaders of labor in United States to acquiesce in the conscription of labor, get this straight -- they're selling you down the river!

At the end of the last war our boys came home and found somebody else in their jobs, but when they return home from this war, it's going to be different, because when they walk down the street to where their job used to be, the job "ain't gonna be there no mo'." They will have torn the building down for scrap metal and the organization that used to be there has moved someplace else; and when he goes over to that someplace else, the job he used to have doesn't exist at all anymore. It'll be a new process, and there will be an 18-year-old girl and a 42-year-old woman pushing buttons running it. Well, why not?

Realize that we are in the first Total War in human history and in the midst of a world revolution simultaneously, and that we have to install more technological equipment in order to win the war. The more equipment we install, the more we're headed for a new kind of world. This war is teaching us something nationally that never again will anybody ever be able to tell the public of United States that if we can spend $300 billion in war for the production of materials and technological equipment for destruction, we can't spend $300 billion just as easy for the rehabilitation of our own country. It can be done and it will be done, but it cannot be done if every one of us wants to go our own way. It can only be done as an organized expression of public opinion. Technocracy is carrying on meetings all over this country, trying to bring home to you the problems you're facing. There will have to be national organizations to take care of the young children of the women war workers. That will have to be on a national basis, the same as national feeding will have to be organized -- not by private industry but by our government. There are many things that will have to be organized on a national basis, but have never hitherto been organized except as an individual racket.

We're facing a social transition on our pathway to victory -- realize that; and we're not going back to anybody's yesterday-- Herbert Hoover and Al Smith included. We're going on. And if the equipment installed in the last war brought about the conditions up until 1929, then we would like to ask you what the vast amount of equipment installed during this one is going to bring tomorrow's peace. And those of you who feel magnanimous and want to go out and be nice and kind to everybody around the world, remember, a good many of you contributed missionaries in far-off lands, now didn't you? You thought you were being noble in making nice Christian brothers of heathens. You swelled up with pride when you put your little donation on the plate. Well, we sent missionaries abroad and look where it landed us.

Out in the Far East, where the Japanese would occupy the territory, they haven't any illusions about the rest of the world. They're a hard-boiled nation, trained and conditioned for generations of spartan existence, with a national idea. No matter how much we despise the Japanese, don't let's underrate them. The Japanese won't cave in psychologically like the Germans. They'll fight to the last hole.

Well, this war isn't won yet -- not by a long shot -- in spite of the fact that we have had rather pleasing news the last few days, but the advance in North Africa is <u>not</u> a second front. If the forces of the United Nations succeed in capturing Bizerta, Tunis, and Tripoli -- the entire North African Coast -- the United Nations will have laid down the preliminaries for a second front.

Kindly bear in mind that the Fascist forces -- military forces in Africa -- up until our North African invasion, were only four German divisions and eleven Italian, or less than 4 percent

of the total Fascist forces in Europe. So, don't stick out your chest when you're only licked 4 percent so far. Now, from El Agheila to Bizerta is over 600 miles. They still hold that territory. It's quite probable that with the forces we're putting in and granted no great error, we may succeed in taking it; but if the German Fascists throw in enough troops, it can be made costly. So, don't get the idea that the war is going to be won by Christmas, because there's a long and hard fight ahead of us, and it will require a competent technological mobilization of every American on the home front to fight it. We can't do it by thinking that if we put our dollars in, that's all we need to do. Bonds are necessary, yes, under the present fiscal setup, but you can't stop a 50-ton tank with a million-dollar bond. It requires a national mobilization for national service on the same basis as the armed forces.

I'm going to get you to think up some questions, to see what you've got on your mind. The question period is always the most interesting, because then I get a chance to go to work on you. I'll leave you for a few moments and if you'll write out your questions, I shall do my best to try to answer them for you.

Thank you.

.... but then there are a few that appear to be humorous; for instance, there is one question here which wants to know:

WHAT WOULD HAPPEN TO THE CONGRESSMEN UNDER TOTAL CONSCRIPTION?

Well, they are Americans, too, aren't they? Why should we leave them out for the duration of the war and six months thereafter?

THERE ARE SEVERAL QUESTIONS HERE: SEEMINGLY, THERE'S A MISTAKEN IDEA THAT YOU WOULD HAVE TO ALTER THE CONSTITUTION TO HAVE TOTAL CONSCRIPTION.

You have to do nothing of the kind. Total Conscription goes in without altering the Constitution, the judiciary, or the fiscal system or the legal system -- exactly as you are now. You do not have to alter the Constitution or any other of our institutions; merely alter your behavior and performance.

THERE ARE A NUMBER OF YOU, UNFORTUNATLEY, WHO WANT TO KNOW MILITARY INFORMATION AS TO THE NUMBER OF DIVISIONS IN AUSTRALIA AND AFRICA, ETC.

I'm sorry, but that is military information and is not disclosable by Technocracy.

THERE ARE SEVERAL ATTEMPTING TO COMPARE OUR NATIONAL SITUATION WITH THAT OF GREAT BRITAIN, THAT THERE'S NO TOTAL CONSCRIPTION IN GREAT BRITAIN, AND WHY SHOULD WE HAVE IT HERE.

Well, Great Britain's problem is a totally different problem from ours. Their industrial rate of flow is of minor importance compared to this nation, and do not attempt to compare Great Britain and United States on the basis of population comparison, because that is stupid. There's no relationship today in their industrial and technological situations and ours. Whereas their distances are small and their population density great and their output per capita low and their consumption of KW hours low, ours are correspondingly high.

THERE ARE ALSO A NUMBER HERE -- SOMEBODY IS TRYING TO BE FUNNY -- THERE ARE SEVERAL WHO WANT TO KNOW IF TECHNOCRACY WANTS TO FEED THE WORLD.

I'd say they're taking a backhanded slap at some of the statements that have been made in the public press. Well, Technocracy's contention is that we had better organize our war economy

to give adequate distribution to every American here and solve our own problems of winning the war before we get cockeyed with illusions about what we'll do after.

THERE ARE ALSO A NUMBER OF QUESTIONS HERE THAT WANT TO INQUIRE AS TO THE VALIDITY AND VALUE OF CERTAIN BONDS AND SECURITIES.

Well, without leaving the questions out, that would identify them; so that five or six of them won't feel individually hurt, permit the Director-in-chief of Technocracy to say that if we do not win this war, those bonds won't be any good, that every American -- if we're defeated -- will have a burlap diaper on and have a bowl of rice. So, for heaven's sakes, quit worrying about what your bonds are going to be worth after the war. If we don't win, you probably would have liked to have that bond of yours in finer tissue.

THERE ARE SEVERAL QUESTIONS HERE COMPLAINING ABOUT THE MORALITY OF WARTIME CONDITIONS AND THE INCREASE OF VENEREAL DISEASES, AND SEVERAL HAVE MENTIONED PROSTITUTION.

Technocracy warned you long ago to expect an increase in the rate of venereal disease. Naturally, we as Americans have always refused to face realism. When a boy and girl go out together, we assume they play pinochle. We've had a good many army camps that have had to increase the guard at night -- not to keep the soldiers in but to keep the girls out, and if the number of healthy males taken into the armed forces go beyond 10 million, then permit me to say that the likely looking male that stays home for any reason, God help him!

We are supposed to be a civilized country and we look at Mexico as somewhat barbaric. Yet, realize that down in Mexico in their prisons, when they put a man in jail, if he is disease-free, he is permitted to be visited by his wife or sweetheart. That's highly civilized in comparison to our dumb, stupid procedure. They recognize that men are males and women are females, and we'd better recognize it too. We have a problem all across this country, and it is not a problem of the professional prostitute. The professional prostitute is a minor problem. The nationwide problem that we face is a lot of incompetent amateurs who don't know what in hell they're doing, and there's no organizational setup to protect them or to show them what to do. Then, in the face of that, does your minister or your priest ever discuss the realities of life with you? No, he never will. Why? Because he always tolerates the status woe, doesn't he? He derives his economic sustenance from it; therefore, all women are pure and all men are something else, and you have no disease problem.

The Mayor and the Civilian Defense Administrator and the Chief of Police of one of the largest cities on the Great Lakes came to see me not long ago and said, "Mr. Scott, the problem has become so serious that we think the only way to handle it is to round up every prostitute in the State of Ohio and throw them behind a barbed wire stockade." Did you ever hear anything more stupid and funny than that? Pathetic! Now, if you want to increase the situation, all you have to do to multiply all the ails and ills of it is to make it scarcer. Come on, admit it. And that's exactly what it would do. I asked that mayor if he had a daughter and the others if they had daughters. Certainly, and if he had, he'd better face it, that the amateurs would be in business if they did that.

I know, it's hard stuff to take, but you can find it in every area where there's an army camp. What do you expect the boys to do? What do you expect the girls to do? You know you still won't admit it, and you haven't any authorities in this city or any other city that are willing to admit how tough the problem really is; because all the nice, good people wouldn't want it talked about, would they? The nice, successful people.

Well, there's one way to do it: Why not have the army do what the Mexican Government does in the prisons? They could invite their wives and sweethearts in, couldn't they? At least, you would know who had been there. Oh, it can be handled, but it cannot be handled so long as

you leave the medical profession a cross between private enterprise and a chiseling art where there is no compulsory account of our diseases. They're not compelled to at all. But under national service of Total Conscription, you could eliminate it in quick order.

NOW THERE ARE A LOT OF QUESTIONS HERE WANTING TO KNOW ABOUT THE LENGTH OF THE WAR, HOW LONG THE WAR IS GOING TO LAST, WHEN WILL IT BE OVER.

Well, thanks very much for the compliment, but Howard Scott is not God. Understand that quite clearly.

AND THERE ARE OTHERS WHO WANT TO KNOW, COULDN'T IT BE WON IN THE NEXT SIX MONTHS?

Well, if the Russians go through in the next 20 days, it may put a different tone on the picture, but it still won't win the war in the next few months.

NOW THERE ARE SEVERAL QUESTIONS THAT WANT TO KNOW WHAT KIND OF A JOB I WANT.

Evidently some of them have gathered the idea that Howard Scott would run Total Conscription. After you have talked to as many human beings on this continent as I have, you'd like to talk to four-legged animals thereafter; and it's a fact: Did you ever hear of a mule ever dying from overeating or killing himself from overwork -- working overtime? No, the mule's intelligent. The only one that's dumb enough to do that is the jackass who owns him.

THERE ARE ALSO SEVERAL HERE WANTING TO KNOW WHY HOWARD SCOTT SHOULDN'T BE THE NEXT PRESIDENT OF THE UNITED STATES.

Well, I don't want to be. I don't want any political job.

THERE ARE ALSO THREE QUESTIONS THAT WANT TO KNOW HOW MUCH I'M MAKING OUT OF THIS.

Since you asked for it, you can have it. Howard Scott has no bank account, owns no property, has no bonds, securities, real estate, or anything that might be called valuable property or realizable assets. All he has is his clothes, and he works on about the same basis as the armed forces.

Incidentally, while we're at it, Technocracy is the only organization that practices what it preaches. The Director-in-Chief of Technocracy doesn't get any more than the parcel wrapper, the stenographer, or any other fulltime employee. Try that on your organization. I'm not telling you this to appear virtuous. We recognize only too well that two things are white: virtue and arsenic: they're both poison. I couldn't help that one -- you were so serious.

THERE ARE ALSO OTHERS HERE WHO WANT TO KNOW HOW GERMANY IS FINANCING THE WAR.

Germany has the richest boom in dividends that's ever been known in German history. The Fascist German organization permitted German business to do a very interesting thing. They passed a law limiting all dividends to 7 percent, but then they permitted all corporations to water their stock so that the dividends actually earned would come down to 7 percent. Isn't that marvelous? It's just like that $25,000 a year proposed limitation -- $25,000 a year net in this country. Well, $25,000 a year net per person is $67,000 a year gross. How about having grandmama and grandpapa each with $67,000 a year? That's $134,000, isn't it, for the two? Well, you can have four sons and four daughters and they're all married. That's sixteen, and they can all have $67,000 a year each, gross. You can add it up. Think there's any hardship or equality of sacrifice in that kind of nonsense? And yet that's what they're kidding you with. You should limit the income to $25,000 net per person. How about figuring some groups right here on the Pacific Coast? $700,000 a year .... why he couldn't serve for the same as a United States general, now could he? That would be poverty and malnutrition, wouldn't it?

THERE ARE A LOT OF OTHER THINGS THEY WANT TO KNOW HERE. I CAN'T ANSWER ALL OF THEM. I'VE GIVEN YOU GENERALLY MOST OF THE CATEGORIES, AND I'LL TRY TO GIVE YOU A FEW OF THE SPECIAL ONES. THERE ARE SEVERAL HERE THAT WANT TO KNOW WHAT WOULD HAPPEN TO CHURCHES, WHAT BASIS THEY WOULD BE PUT ON.

You could still contribute on the collection plate to your respective ecclesiastical institution under Total Conscription. The churches would be unaltered. You could also contribute to other things if you wanted to. Of course, it would be kind of difficult spending your money, because most things would be rationed -- except there are a few things that will never be rationed, of course -- at least we hope. Seems to be a certain amount of abdominal reaction -- humor, I should call it.

WELL, YOU'RE ALL VERY MUCH INTERESTED. YOU CAN SEE FROM THESE QUESTIONS THEY WANT TO KNOW ABOUT COFFEE AND BUTTER AND MILK AND CHEESE AND VARIOUS FOODS. WILL THEY BE RATIONED AND HOW SOON? THEY ALSO WANT TO KNOW ABOUT WILL THEIR HOUSES -- THERE ARE SEVERAL HERE THAT HAVE HOUSES THAT HAVE A CERTAIN NUMBER OF ROOMS, AND WILL THEY BE FORCED TO MOVE FROM THEIR HOUSE OR WILL THEY BE FORCED TO TAKE IN BOARDERS, THAT IS, ROOMERS?

If the situation becomes tight enough and you have large well-to-do homes close to war work, and you happen to be a leading socialite, I know that it might embarrass you to have a lot of war worker roomers. Don't forget the army is taking over hotels in various cities across the country -- not so many here as yet, but there will be more here; but Chicago, Miami, Atlantic City, New York, Des Moines, and other places, they're taking them over one by one. What we are up against is a lack of space.

THERE'S QUITE A NUMBER OF QUESTIONS ON DISTRIBUTION AND RETAIL STORES.

Let's take any plot plan, real estate plot plans, of any large city like Los Angeles, Chicago, Cleveland, New York, St. Louis, and look at your store sections. Remember, in your real estate plot plan, you can get the depth of the lot and the type of building. Figure a shopping area four blocks by four blocks or sixteen total blocks. There's only one way to handle it: consolidate all the delicatessen stores in the sixteen blocks into the center. Same way with the grocery, butcher, and other stores; therefore, the inventory stock and fixtures, along with the personnel, would provide a 24-hour store of that kind, a 24-hour operation with adequate personnel and fixtures, and there would only be two blocks for any citizen in the sixteen blocks to walk. See how simple it is? That would account for a 28:1 reduction in the City of New York. There are 26,000 grocery stores, over 9,000 butcher stores, and over 69,000 establishments handling food in the City of New York alone.

[END OF RECORDING]

MEMBERSHIP MEETING
YWCA, AKRON, OHIO
HOWARD SCOTT
OCTOBER 10, 1943

Well, a lot of water has gone under the dam, and Technocrats have something to be proud of. We can look back with a record that no other organization in this country can look back to. Our strategy has been a strategy that is unique -- endemic to this continent. When you look over the record of the Democratic Party or the Communist Party or any other organization in this country in the last ten years, it has been one of compromise and expediency. That is something that can never be said of Technocracy. We have made mistakes of minor omissions, but the organization has never made a major mistake of commission. Some of you may have been baffled in times past and may be slightly bewildered today, in that Technocracy doesn't seem to do exactly what you would like to have it do: but don't forget that it isn't doing what any individual member or officer wants it to do. It plans its moves ahead of time, and here it is the only American social movement in the history of this continent and likely to be the only ever to do this.

In Canada, McKenzie King -- the Honorable McKenzie King, I should say -- Premier of Canada, is a political dead pigeon north of the boundary line. Technocracy predicted that would be his end, and it is only a question of time when he will be politically buried, if not actually. Technocracy will come back to Canada, but it won't come back the way the other organizations came back by political compromise and expediency. We have been offered that, but we are on record of being the only organization to turn it down flat. It has been an honor to occupy that position we have. The Communist Party in Canada came back as the Labor Progressive Party of Canada in open support of the Liberal Party, McKenzie King, and the conduct of the war, and in approval of business at a fair profit. Why, they are more pantywaist than the conservatives: in other words, a supposedly radical organization has become more liberal than the McKenzie King Party ever thought of being.

The same thing is happening here. In Canada, you will find the Hansard, official organ of the House of Commons. The leaders were released on individual agreement with the Minister of Justice of Canada to support the Liberal Party, the existing administration, and the war effort and general business. Incidentally, there is no such record here in the United States of the Communist Party making such a deal, but events suggest Browder and several others were released on the same agreement. The Minister of Justice of Canada, through a firm of attorneys, made a motion for Technocracy to come back. We are not accepting the offer. King's days are numbered: in other words, when Technocracy comes back in Canada, it will come back clean and not under a double-crossing agreement.

We have the honor of being the only organization that was declared illegal for the duration of the war in Canada, because we advocated consolidation of the North American Continent into one organized unit -- because we advocated Total Conscription in Canada. We introduced the program June 1 and 2 at the Yorktown, Saskatchewan, conference. We were declared illegal on the 22nd of June, just twenty days afterward, at the request of French political Quebec. That is admitted in the Hansard, and last year the Canadian Parliamentary Commission were unanimous in their vote to lift the ban on Technocracy; but conservative French Quebec brought pressure to bear to have the record completely tabled and not brought up for approval. You will also find that in the Canadian Hansard. We have no regret about that.

In other provinces of Canada, some 38 percent of effective manpower, military effectives, between 18 and 35, enlisted for military service -- in Quebec, only 8 percent: so, Quebec will have a debt to pay when the war is over. There will probably be civil war, because sentries in Montreal are not using blank cartridges. These things are not reported in our press.

So here is the situation in which we were one of the major factors by which our course of action will be proved correct. We stood our ground and refused to compromise: and here in the United States, many of you, of course, will remember that Technocracy predicted that the productive equipment could not run continuous full load for more than two years. Those of you in the industry of this area know what is happening at the present moment. We are producing more goods than we can find space to store them. We are already shutting down plants. We have shut down six tank plants and eight arsenals. We are shutting down night shifts and Sunday work. Why? Because the technological productivity of the United States is increasing at 8 percent per annum. No other area in the world's history has ever reached such a state of acceleration. It won't happen in Germany in thirty years, but it is happening here.

Now we are in the middle of the biggest business boom in the world, and business would like to keep that boom going. So would a good many of the war jobholders. The average war jobholder is shoving money into his pockets with both hands at the same time. You know that is correct -- but look out! In a few months away, you will be in trouble -- in trouble with your taxes. You will after the first of the year. Whether it will pay to work is questionable. We have also pointed out there was no sense in work. It is shortly going to be brought home to them.

In Canada, it has reached that point. In the coal mines and shipyards in Canada, you can only work a few hours overtime. If you do, you get less than your actual work pay. With the additional taxes, you get less for working more. It now is one of those Alice-in-Wonderland problems. Hard to understand, but here the technological acceleration is on. Technology is going to present the United States with a fait accompli internally, and we will know in a few weeks. If Russia gets to Gomel and Kiev and goes through, Russia will present a fait accompli to us abroad. So, we will be faced with two -- one abroad and one at home. Both are significant and both are important. If the one abroad comes to be, then we will eat Crimean crow with Russian dressing and Tartar sauce, and we will damn well like it. Here, internally, the technological fait accompli will be presented regardless if the other one is or not.

Now we have the greatest business boom from the standpoint of big business, and leaders, popular celebrities, and outstanding political figures of the United States would like to have the business boom continue. We wouldn't like to end the war too suddenly. We'd like victories at not too fast a pace -- at a pace just fast enough so that the business boom will continue two years. The technological productivity of the United States will not permit such a course of events. The only way we can guarantee approximate full load operations in this country is to persuade the Germans from manufacturing anything at all and let us supply them in toto.

Now, if you will remember in A-21, where we made that remark about Rudolph Hess -- that was around the first of July 1941 -- it was written some weeks ago to over a month prior to that. Anthony Eden has made a slight explanation of Hess' visit. Part of it is correct: of course, nine-tenths of what he admitted is incorrect. The real story, of course, may never be told; but those of you who have time, dig up your history. Look up the Anglo-French Partition Pact of December 1917 and what the moves were on the part of Fascist Germany in sending Hess to Britain to open negotiations for the rejuvenation of the Anglo-French Partition Agreement of 1917: That Germany would be satisfied with everything west of the Urals, all the business free enterprise of the western democracies would be retained intact, and business to operate on the same old basis and at the same old stand. The unfortunate part about that is that the German G-2, British G-2, and the United States G-2 were alike fooled. We are so smart; we just cut our own throat! Remember that there were a United States Military Attache and press correspondents with the German Army advancing into Poland in 1939.

You can find the reports published in this country in military journals. I am not disclosing any military secret. When it rolled into Poland, there were photographs. They were sent over here, and the comment was that the Russians didn't have any real uniforms and equipment. It was old and dilapidated. They brought photographs into CHQ and laid them on the desk. We looked at them and grinned. Several men in there asked what was funny. We pointed out that the Russians must have taken over all the antiquated equipment from the military museums. The trucks were 1917. Our press and every other miseducator of public opinion in the United States have never wanted too many facts presented to the public. Russia realized that: so, the Soviets dressed up the pictures the way we were taught to believe them to be, much to our discomfiture at the moment.

If you will remember -- I think it was September 27 while speaking in Cleveland, I said Stalingrad wouldn't fall. Lots of people can't understand our information, but don't worry about that: the United States Government can't understand it either. There are people in Washington accusing us of having a pipeline that goes right down through and comes out in Moscow and Chungking, and when we want information, we just turn the spigot and run off a pailful. That is as stupid as any fairy tale, because we don't know any Russians. We are not interested in the political side of it. What we have done was done by scientific deduction.

We tried to tell people the kind of Russian artillery that was used in Finland in 1939. The Russians used 244-mm. cannon of the same type -- hydraulic breach closing, maintaining a constant temperature control. Those were the guns that smashed the Mannerheim Line to pieces. You do not crack fortifications at 40 degrees below zero by old equipment; and yet we have been fed this confounded nonsense and baloney at home and abroad. Of course, the hope of American business -- both Wall Street and Washington, Ottawa and London -- was that the Germans and Russians would fight each other to the last pint of blood, and then the western democracies would step in and be "big shots" on the European playground.

Well, it just didn't happen, and six months ago, Russia stopped taking our tanks; so, we have to shut down our tank plants. The Russians don't want any more of them. They call them the "tin torches", and they are fairly justified in applying that name, especially the Chrysler engine in one tank. You don't have to be hit by a bullet. All you have to have is the high octane gas line catch fire. The Russians brought their own tank production up. The Russians built artillery and steel plants -- continous steel plants. Their plant expansion is continuing. It doesn't matter what their political policy is, whether Communism or Holy Rollers; but the introduction of technology in an area has no relation to Karl Marx whatsoever. It is the technology of the USSR that has made it the power it is and a threat to the other countries of Europe.

Now their technology is of only minor importance in total scope compared to the operations here. They have slight direction. We are operating for business, for the greatest aggregation of capital profit the world has ever known, and for the greatest aggregation of credit reserve the world has ever known. We have billions in corporation reserve today -- greatest credit reserve the world has ever known. At the same time, the savings banks are increasing the total rate to $20 billion a year. The vice president of your largest bank here was riding in the train with us coming up from New York. We began discussing the banking institutions in the United States. He agreed that we are correct. He asked what the country is going to do. Probably change over to something else. We told him to go out and play golf and keep the hell out of the road. Try to realize the situation.

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HOWARD SCOTT

In 1939 in the United States, there were between eight and nine million unemployed. The producing capacity was far in excess of purchasable capacity. We were able to produce far more than we could consume. Here and under two years of war -- a little less than two years -- there has been pumped into our plants $25 billion. The machinery is fast: processes are faster. The plants are modern: so, we have increased the productive capacity 100 percent. If we were overcapitalized in 1939 with the available purchasing power, how much more so now if the war ends this June or a year from next June? Now, with the money all of us have in the bank, the only thing you can do is invest in government bonds, because there is not the expansion of private creation of debt to absorb the annual increase of $20 billion additional cash a year.

To state it mildly, the United States will come out of the war with $100 billion cash uninvested, not in government hands but in private hands -- in the banks -- owned by the people of the United States: in other words, you are all going to be more-or-less wealthy, and you want to know what the hell to do with it. Private enterprise cannot create sufficient expansion of the capital industries of the United States in order to absorb that $100 billion. It's got too much on its hands now. It doesn't want any expansion. Besides that, they are stagnant now with overproduction of machinery and technological equipment in the United States, and there is $1 billion of new plant machinery uninstalled -- surplus equipment that is as yet not installed in any plant. Are we going to give it away? To whom? To the Africans in Timbuktu? It couldn't run if we did. Besides, we have already exported a terrific volume of equipment.

Try to get this picture. We, as a nation, promulgated a doctrine of freeing the world from want. That has been our propaganda, that is, a revolution -- internationalism -- proposed for the entire world, never for our own country. We have exported this propaganda without ever having the intent of implementing it. At the same time, we have exported processes, equipment, and machinery of all kinds. We have exported the technological equipment -- the tools of social change and social revolution. We have shipped them all around the world, but we have not had the courage to admit it.

The technological equipment shipped around the world was the tools of social revolution. They were shipped in the name of sloppy humanitarianism freeing the world from want; and yet our actions in Europe didn't have anything to do with it either. In the sloppy humanitarianism of freeing the world from want, or the actual fact of exporting the tools of social change, our policy has been a denial of both of those previous categories. It has been one of reaction. We want Fascism in Italy without Mussolini, Fascism in France without Petain, and in Germany without Hitler. That is what it boils down to.

Right now the German Fascist Party and German businessmen are trying to make deals through Portugal and Spain with Britain and United States -- remember, the German Nationalist Party and businessmen; but on the other hand, the German people and army want to make a deal with Russia. You can place your bets. Our policy has been one of conservative sentimentality. From the last war to today, we have refused to realize that.

We are going to send in the next two weeks, that is, from CHQ we are going to send nice big Calla lilies -- long-stemmed ones in each box -- all wrapped in tissue paper; one to Hansen Baldwin, military critic, Major Fielding Elliot, and a lot more, with a nice little note, "In Memoriam." Hansen Baldwin, the intellectual (if he is still writing the naval picture of the Southwest Pacific), intelligent observer on everything, but his conditioned reflexes got him down and he just couldn't see the facts; neither could the others.

Well, don't forget Harriman, one of those hard-working men, who worked his way up from them. His father only left him $70 million to start with. With $70 million to start with, you wouldn't have to do anything at all. The $70 million will increase all by itself, and you don't have to be intelligent at all: of course, he was involved in the magnesium concession in 1923 in Russia. It doesn't smell good now. The Russians have long-nosed memories.

You can't expect very much of Stettinius, the Undersecretary of State. You see, they are operating on the theory that, when we approach a foreign country, if the man we send out first doesn't make a sale, his approach has been wrong: so, change the man, use a different approach, and if we get there at the right time, we can make the right kind of a deal: but the only trouble with that is, there isn't going to be anything to sell.

Many of you read the papers and magazines, and yet it isn't the fault of the public of the United States that they haven't the information. We have been misinformed daily. Day in and day out for the last twenty years, it has not been permitted to know -- confused the issues -- and it isn't the fault of the individual American citizen, male and female, because the facts are not made available. What is made available is the utmost in confusion: so, here we are in the next few months facing a fait accompli in Europe and a fait accompli -- a technological one -- in the United States.

Now many of you here voted once, but remember in 1940, the Republicans of the United States were in full approval of the foreign policy of the Democratic Administration 100 percent. The only thing the Republicans differed on with the Democrats was in the internal operations of the United States. They were even in support of the New Deal, but they thought the Republicans ought to run it, administer the deal because they could do it better. That is all the difference. But let's see what is coming up.

The foreign policy is going to be a most discredited thing. The Wilsonians' Fourteen Points was an international debacle. Well, the coming debacle is going to make the Wilson debacle look like a storm in a teacup, but that was while still receiving plaudits from abroad when he was discredited at home: but this will be discredited everywhere, here and abroad. It is hard for us to take that.

Most of you in your community, people around you, like to think that President Roosevelt's New Deal is something radical. It never was. It was only a liberal streamlining of the old racket. It was sold as a New Deal with fancy wrapping. It was no different in mechanics: the same thing in Canada. Now, of course, the tendency is all to the right, more and more, and both parties see where it is going to land them. We have to face that issue politically in 1944, but it will come up before the election date. You will realize that if you will remember the points I mentioned within the next 15 days.

If the Russians take Kiev, travelling at 15 to 20 miles a day, and if they go northwest from Vitebsk, it won't be worth talking about. If they reach the Bug River and Pskov, they will go on.

Now, if you look back at the last war, you will remember that, in the Armistice of November 1918, the Germans retreated with all its armies and equipment in good order and marched into Berlin with banners flying; but it is a long way back for the German Army from where they are to Berlin. I would like to review a bit of history.

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HOWARD SCOTT

Some hundreds of years back, the Teutons, the most powerful fighting force in Europe, massed a fighting force on the Baltic and invaded Russia. They defeated Russia in a number of battles. They were massed on a lake. They all got out on that lake together, and the ice gave way. The Teutonic Knights never came back to the Baltics again.

Poland swept eastward and for three years pushed onward and occupied the City of Moscow and went down to the Kremlin, but when the Russians turned around and shoved them back, Poland and Inshalu (?) never came back. They were never a fighting force in Europe again.

Charles of Sweden invaded Russia: with that Swedish Army, he defeated the Russians, too. Finally, Charles XII and a few of his staff remained, but Sweden never became a first-class fighting force again.

Napoleon travelled that same road with 480,000 of the Grand Army, the finest fighting force in Europe in 1812, and in September he took Moscow: but Napoleon was defeated, and the Grand Army was never a first-class fighting power again.

So we have to watch what happens here, because in the last war, the Germans retreated with their officers and their non-commissioned officers intact, with all of their equipment still on German soil: but the armed power of today is larger than it was in November 1918, and that army may never get back. In that case, let me ask you: What would be the only fighting force in Europe? Now the armies of Great Britain, which includes Canada and Australia and numbers about three million; in other words, Britain barely supplies two million -- that is not the armed might of a first-class power. You have to do ten million or better in Europe to be considered a first-class power.

Now the United States, according to the Selective Service reports, will have seven million. Germany still has between eight and ten million, but Russia has over twelve million in the armed forces in western Russia, exclusive of the Turkistan and Siberian armies. The Associated Press and Times Magazine reporter came in to see me two weeks ago, and one of the questions asked was, "Mr. Scott, where will the United States be at the peace table if the Russians win?" I said, "The answer will be simple: We'll be under it."

Now, in this matter, no American individual is blamed. This is a matter of statesmanship and leadership. Remember our outstanding national figures of all parties alike, of all complexions and all shades, were all mistaken. Remember that voice that said over the radio in August 1941 that "Leningrad would fall in September, that grass would grow in the streets of Leningrad." A national figure, and you can go down the line. They can't reprint what they said two years ago. Well, it blinded them by refusal to recognize the reality of an entirely different kind of world. With the energy of the Russian area technological operations and Russian constitution and continentalism, if Russia is victorious, the only way we in the United States can maintain our place in the sun as a prime power is to appose military continentalism on this continent: otherwise, we retrogress as a first-class power. That is very difficult for people to take.

But let's run over a few things. No large oil pools have been discovered lately. Oil production is going down in relation to consumption, which is going up. Lead the same way. Remember, the resources are going around the world. We have the equipment, but they cannot stand that rate of mining for any great length of time. We have known the oil situation for some years, but remember Technocracy's strategy as an organization has been for others to bring it

out: otherwise, we would be accused of defeatism. But when other people bring them out, you can't accuse them, or Harold Ickes, of defeatism. He just gets "Ickier and Ickier."

As as man, Harold is all right. Like Vice Presidents Wallace and Garner, his integrity is not to be questioned, but politically he is naive. He should have an advisor: and, of course, Jesse Jones really caught him in a bad situation and big business wanted him. Jesse Jones is the most powerful individual in the national setup. He has billions at his disposal in the RFC. Wouldn't you love to have that job, where you have billions and you don't have to account to anybody? Leo Crawley got into Standard Gas and Electric. Jesse Jones made an RFC loan to Standard Gas. The boys scratch each others' backs, you know.

Now all of this dirt is relatively unimportant. Technocracy doesn't care who steals from whom. It is only the overall general picture, and what we are trying to get the membership to realize is that there is going to be some fast action in the coming few months ahead: and yet you have enough tonight to push the organization in your community. After all, there is nothing to be afraid of. You are all going to die only once. You can't go back to being Democrats or Republicans and not think of Technocracy at all. You don't want to go that far down. You will see the day that the organization is going to be more and more respected as an organization. Now big money and little money comes in, and the big money tells you that they are going to threaten (?) all their investments and are going to Brazil. There will be new taxes. The one with ten to twenty thousand, he can't live on that. The best he can do is liquidate and go to Brazil.

Taxes are not going to decrease, and the reason for that is not what most people think. We are not paying for the war out of taxes. It would be a great deal more if you ever attempted to pay for the war costs from taxes. They are to drain off the consuming power. That is what the game is; because you must remember that the man who works for a living is not entitled to have any reserve. If you are dumb enough to work, then you suffer the consequences. If you have $30 million, it is just and meet for somebody else to protect your 30 million dollars' worth. In 1929, they took it away from you; now they are going to do it again.

You can go out and buy anything today if you have enough money. Now you can go into a popular restaurant in New York and get a little kind of invisible piece of butter. There is no meat on Tuesdays or Fridays, and the rest of the days there is little choice of meat; but you can go into a better class restaurant and you get a nice big thick piece of butter, steak if you want it, or anything else you want. They have no menus. You ask for what you want, and they charge you; so, therefore, no price ceilings. You get anything you want if you pay for it.

The trouble with Leon Henderson is he was trying to be honest in a Price System, and that is bad. He still would be head of the OPA; the setup was to set up a nominal price-fixing bureau in each region -- set up a black market with priorities. That was the intent of the OPA: force things out here and yet to give the public the idea we are trying to do something for you poor saps. You don't want the prices fixed; you want them to stretch. Remember, I told you about the gas coupons. Is everybody getting enough gas coupons? You can get legitimate ones and illegitimate ones. There is an ironic touch here. What are we going to do with the automobiles when you can't get parts? That is approaching very fast.

In our largest cities, they just leave the car where it breaks down. What is the use? You can't get any parts for it. Let the Department of Sanitation come and get it. Well, California is in a worse position than any part of the country. These things are going to drive in, and we are trying to get you to maintain a solidarity and interest and realize that you have a fighting organization, that you have a cohesion, and you have a strategy. We have never put any of you on

the spot yet. We would, if we could get you arrested simultaneously and collectively; but we have never compromised or gotten ourselves into any fool position where we had to back out. Yet here we are facing a national situation of increasing critical tension and an international one.

Now for a few minutes, I would like you to ask questions. You can get a lot of answers. I don't want to do all the work. I think you should do some. There are a lot of questions on your mind, whether on national or international affairs.

* * * *

Q. Are you getting all the steaks you want?

A. I wish I could say that I did, but it requires a greater income than mine. I am not a corporation executive. Hamburgers are my speed and I'm glad to get those.

Q. What about the extreme manpower shortage? We hear it over the radio every day, begging people to go to work, to get a war job. What is the reason?

A. A million have left jobs, gone out on farms and gotten exemption from the draft. Well, it is very nice, but the farms are unorganized. Of course, you have the Grange, Farm Bureau, and Farm Union, and they objected to being organized on a national basis, just as the coal industry objected to being organized for efficient production. Install long wall coal mining with automatic machinery, no explosives -- eliminate that and you would eliminate 3,000 coal mines in the United States and over 300,000 miners; but the United Coal Miners wouldn't like it. Neither would the coal mine operators; neither would the railroads. Some railroads are simply coal haulers. They would be bankrupt.

So the coal operators are quite willing to give the United Mine Workers two dollars a day additional, provided the OPA increases the price of coal to the consumer. But then the OPA and the War Labor Board coerced the United Miners for political reasons. There is a definite shortage in some fields and a surplus in other fields, but we are not trying to organize it. We don't want definite planning. We want conscription of labor for greater profit for private enterprise. The unions are beginning to wake up. We are driving the point home. Labor unions have passed resolutions on total conscription. The CIO, Railroad Brotherhoods, and others realize it is the only weapon with which they can fight conscription of labor.

Go out, and your gas stations and your stores are filled with cars. The negroes have moved into the Japanese districts. There are more negroes than there were Japanese in a room. This is in America. Now they want a voluntary system of labor, and in the aircraft plants on the Pacific, in the last six months they have employed, medically tested and put through the training course, 150,714 employees, for a net gain at the end of 12,000. That is what you call American efficiency when it is operated by business. Those are the facts: 105,714 employed and gained only 12,000.

Q. Is there a movement afoot in Australia to operate farms of 500 acres each?

A. It means for the United States to supply the equipment. You want to sell them Jeeps to run it with. A diesel tractor cuts a hundred furrows just as well as one, and, in fact, it is much more efficient. Australia hasn't the arable farming land. Out of three million acres in Australia, on less than 300 square miles sufficient water falls, that is, land that is

arable for machine cultivation. So Australia will remain the smallest continent on earth. We are not going to have the population in Australia unless you can change the rainfall.

Q. What about our war with Japan?

A. In our present campaign and present strategy, we have advanced one mile a day since the war began. We are still 3,500 miles from Tokyo, and if we continue with the same rate of speed, it will take ten years. Now Japan has been politically very astute. Japan instituted a Burmese Government, Siamese Government, an Indochine Government, and a new Philippine Government. The Burmese Government has already declared war on the United States and Great Britain. The Javanese will follow.

The British brought into Burma Hindus, minor businessmen, lenders, and petty officials. Well, they were so grasping the Burmese developed a hatred for them, and the Japanese came in and chased them out. The Burmese slaughtered all the Hindus that didn't get out. The Japanese brought with them the Asia-for-Asiatics idea. They pulled a smart one. They wiped out all signs of a white man's business and white man's institutions and instituted a Burmese Government from the little petty traders to police officials and everything else, based on the Dutch law.

So here is a Burmese setup with police and an armed force, and in another year, if they are not defeated in that time, they have had a couple of years with a Burmese Government with Japanese advisors. The same game is played in Sumatra, Thailand, Java, Borneo, and the Philippines; therefore, it becomes an interesting proposition. Are we getting Burma for the Burmese, Java for the Javanese, or for the Dutch, and are we going to the Philippines for the Philippines or the United States? It becomes rather embarrassing.

Of course, China is in a very sad state internally. Chiang Kai-Shek and Sun Yen, who are representatives of the merchants and the speculators, don't want to invest in the plant expansion in China. They want to invest in profitable enterprise. You have your greatest inflation in the world today in Chungking, the occupied part of China. Prices are terrific in everything. They are in a poor situation. Whether we rescue them in time, that is, Chiang Kai-Shek, the money lenders and landlords; that is what it means. Whether we do that or not depends on if we keep the Burma Road open; but if it takes us beyond this rainy season, it may be too late. Of course, we could attack Japan or change our strategy.

What strategy should be used against Japan depends on whether we win the war in Europe. Why, the war in the Pacific would be easy. If Russia wins the war in Europe, we have that to consider. We will have contributed very little -- comparatively little. Russia has been fighting some 200 divisions. There are only three German divisions in Italy. Just how we propose to do it, that is a question you can speculate on in a good many ways, but it doesn't get us anywhere. An interesting puzzle game as to who is going to outguess the other.

Q. Is there anyone who wants to build a Flying Wing?

A. The losses over in Europe are increasing. The tempo has increased in intensity. The Germans have imitated the Russian plane construction and gunfire type. If the number of tons dropped from one bomber goes to 14, four out of seven planes will be lost. That is what will force the building of a Flying Wing.

Q. What is the Russian-Japanese situation?

A. The Japanese have a big armed force out there, but Japan isn't going to attack Russia. You know they got badly licked in 1938. The Quanto Army of some thousands of tanks, planes, and hundreds of thousands of men got defeated at the Chang River. Eighteen thousand dead admitted by the Japanese. Some thousands and thousands of Japanese prisoners, including the Japanese Quanton Field Staff. In other words, the Russians have killed more Japanese in the Chang River episode of a year and a half ago than we have in two years of war. Let's be honest. It may come as a shock to some. Incidentally, they took more prisoners and destroyed more tanks and planes.

There will be an attempt at regimentation here. The Austin-Wadsworth bill is to conscript labor. Won't it be beautiful? All labor in the United States to be conscripted to make more profit for private enterprise. That is contrary to total conscription, which is not contrary to the Constitution of the United States. No Fascist country in the world has total conscription, but every one has conscription of labor. Hope you get the difference. Kindly do not confuse dictatorship and fascism. They are not necessarily the same at all. Stalin is a dictator but not a fascist. Dictatorship and fascism are totally different things.

Q. How does the food situation look to you?

A. Well, if you have enough money, you can get enough food, but the prices are going to be higher and higher on the black market and not only food but coal and oil.

Q. What about Great Britain selling lend-lease material and putting their labels on it?

A. Well, of course, that is business competition. It is always legitimate, you know, to cut your competitors, providing nobody sees you doing it. Realize stealing is human. It was always indulged in so long as the majority could steal. It became illegal and immoral when the majority in any country could no longer steal and objected to be stolen from. As for the British labeling American lend-lease, why, that is current business. That is only smart business. It is nothing to get excited about.

Winston Churchill, one of the most Tory of Tories, came over here to institute a new endeavor in American taxation. Staged a political ploy, the last one in Quebec, to uphold the dying political prestige of that dead pigeon out there, McKenzie King. It didn't work.

Q. What about the housing situation?

A. You can't take time out of this war to build housing. There never was adequate housing. The only housing ever done was on a speculative basis to sell it to you in the hopes you will pay so much down and so much every month, then take it away from you.

Spellman was sent over to Italy to make a deal. The deal apparently was for the Vatican, in return for the Papal States, to force the abdication of Mussolini, and the House of Savoy would be retained; but there was a double-cross all the way around, because the Vatican and the House of Savoy sells out Mussolini's Party and sells out the Italian Army. The navy is staffed by the nobility, and the army is not so good -- just common folks; and, of course, when the navy does come over to us, it doesn't have any ammunition. It is not going to get into action. Smart people, these Italians. We will have to feed the Italians. There isn't

anything produced in Italy south of the Po. There isn't anything worth talking about south of the Po.

We'll have to send all kinds of foods, oil, and around a million tons of coal; and as to the deal, it turned out to be the "Spellmanization" of the "Hesscapade." If the Russians advance from the east over the Dnieper River, they will insist on an armistice and will hold Rome until the Russians get there. In that case, the Pope would sing soprano.

Q. Monseigneur Sheen in Akron said the Russian-German war was a phony.

A. Naturally, he would take that attitude, but you will notice it wasn't up until Stalingrad. Very interesting. You see, the Vatican is like any other institution; of course, his Holiness used to be the Vicar of Christ and spoke directly to God, but he can't anymore because God only speaks Russian.

Our State Department has been a very reactionary institution. Men like Clement Dunn and Averill Harriman, and, of course, Hull himself is ruled by a White Russian and naturally anti-Soviet. Clement Dunn is married to the daughter of a top-flight member of Belgian nobility, a leading fascist of Belgium. We have a dossier on them all. We have a longer memory about the Russians than the Russians over there.

During the war in Spain, Clement Dunn and Harriman objected to the export of a Chevrolet car to the Loyalists in Spain on the grounds that they would be exporting a machine of war. They have been pro-Fascist right down the line, pro-Petain, -Laval and -Giraud, and anti-French Committee of Liberation. Washington would not agree to having de Gaulle come to Washington, but Giraud did come to Washington. So, you can see our State Department has been pro-Fascist.

Q. What is going to be done if they put the screws on to us?

A. We might publish some material that they wouldn't want published.

Q. What do you mean by the "fait accompli"?

A. You are going to have plenty of money, and you won't have much to buy for it. You are going to have increasing efficiency in plants and cancellations of war contracts. It has already started. You are not working the night shift. Not working Sundays in a lot of places. Why, you are going to be bankers, a lot of you. Hours will be cut and your taxes will be increased. The whole game is for the government to build equipment, the government to pay the corporations to operate it, run training schools, and then, when it is operating at a profit, to turn it over to private enterprise. During the period of losses, the Government of the United States has it; when it is in the gravy, it gives it back. We are all paying the gravy for private enterprise, every damn one of us -- only our grandchildren are going to be paying through the nose.

Q. What is the status of the CVC?

A. How would you expect me to know that? They are carrying on up there. They have their speakers and radio programs. I wouldn't worry about it.

Q. What is the slant on the Spanish situation?

A. We have the names of all those who gave Franco help. Franco's Spanish Fascism is the Falangists. There is no such thing as a nice Fascist, as a social operation, as a system. Nazism in Germany, Fascism in Italy, Hungary, and Portugal are the same, only under different names. Franco is edging over and wants to be on the right side. Naturally he is fighting for God, but he didn't tell whose God he was fighting for. Every war has been fought for God, you know that. God, Greed, and Gold -- every damn war in history. It all depends on whose God he is talking about.

Franco's God is a little bit different, because there are still five hundred thousand political prisoners from the last war, and they have to take their God by compulsion or they don't eat: and the women and kids have to do the same thing. Fascism is a tripartite: spiritual oligarchy, economic oligarchy, and political oligarchy.

Q. How near is Total Conscription?

A. That is hard to say. If they will only have conscription of labor -- I mean of the public -- it deserves conscription of labor. You don't see them fighting for anything anywhere, do you? They have to go to the movies; they go to baseball games and then the bars. Haven't a thought in the world, except what is going to be the entertainment for next Saturday night. Now realize, today out in the Southwest Pacific, the highest percentage of psycho cases from our armed forces are in the Marines, the crack troops of our army, physically fit, and what does it do to them? Their conditioning here at home is to blame. We Americans have the highest and greatest number of escapist commercial mechanisms: movies, corner cafes, dime-a-dance, baseball games, football games, and all of those that the public can go to, not in which they participate, but as onlookers.

A paid commercialized profit-making escapism, where Americans can escape from reality, and when they go overseas, a thousand miles from home in Africa or someplace else, they can't talk to their fellow officers or to their men. All they can talk about is cards or the last time the horses ran. When they come out, they get to talking to themselves. The psychos are the highest rate next to malaria. They are back here now, and you can't tell them from you or all the rest of us. And that is what does it. They have nothing to hang on to or in which they all participate.

Q. What about Russia?

A. If Russia goes farther, there will only be one power in Europe with any fighting machine.

The only conditions in which Russia would accept surrender would be the surrender of the Fascist Party in Germany and a free revolutionary Germany. Our approach in Italy and North Africa was to make a deal with the Fascist leaders with the name, and Russia wouldn't stand for that in Germany. The Fascist Party and the businessmen of Germany would like a negotiated peace. The German people and the German Army want to make a deal with Russia. So, you'd better bet on the army and the people.

Some weeks back, a very wealthy Republican publisher asked me to run for president on the basis that the country was going from bad to worse; and if I wouldn't run for president, I could be a deputy president. I wasn't interested. He was quite upset, upbraiding me on the grounds that I was avoiding the social responsibility. He is worth a terrific amount of money, head of corporations, headed a chain of radio stations and magazines, and wanted us to accept the responsibility.

Well, you have a social movement across this country. We have, of course, in our tactics, tried to get members into regulation dress so as to make the individual fight in this individual community. If we could have opened a training school, we could train members to fight: but we had to put the individual in a position where his community picked on him. We did it with malice aforethought; but if you all in Akron had painted cars with decals, you could do it. It would be effective. Right in the downtown section of Los Angeles, with painted cars and regulation dress, they distributed approximately 70,000 leaflets in one day in an organized manner. There are over two hundred billboards of large size carrying Total Conscription. Every bus and trolley has two placards. Same thing in Portland, Oregon, and San Francisco. You can do it here. You might just as well while you are here, because it isn't good where you are worrying about the security of your children, try to realize that.

No American is individually secure nor can you purchase security in the face of what is coming. The only security an individual can invest in is collective security, and hedge against that collective security, you are not going to get it; in other words, we as a people are building a social movement in which we are travelling toward a collective security. We can get it. Each one has to become active and forget about chiseling a security. If you don't, it is going to be hell to pay,. I don't think this organization has ever tried to make exorbitant demands. Each and every one of us can do something. It is not so much the money; it is the example you set in your community. You have a simple time. Howard Scott can't travel on a railway train in America without being known. Go into a restaurant, they know you; the police -- everybody knows you. You can't get away. I am too big and tall. In my next life, I am going to be born just average height and just beautiful.

Go to work in your areas and develop some esprit de corps. You have permitted personal jealousies and God knows what to come up. You fight between yourselves. For heaven's sake, if you felt that you want to be sadistic, take a crack at a Republican or Democrat or Communists and don't pick on yourselves. Let's go and kill the other guy for a change.

There is plenty of work to do. Go to your church, lodge or fraternal organization and raise hell, and you can only get thrown out. You have to realize the curse of the United States is four generations of nice, successful people, and they are not going to smell very nice shortly, because what have they done for their country? They put it in the position it is in -- a state of anarchy, and we must win a war. The question of food is on everybody's mind and housing, and do you think there is any way out under the existing setup? If you think the Democratic or Republican Parties or the Communist Party can give you the answer, go to it. We haven't seen it. We are trying to get everyone to take action in their community. Invite them in and give them a cup of coffee and go to work on them.

The American Legion was used as a political leverage to high-pressure Congress for votes and bonuses and locally in their community for other things; and here they are proposing to get them all in the Legion, veterans of this war and others. The boys of the last war are older -- their numbers are declining every year, and their only hope of continuing is to get those in the present war to join in. But those in the present war outnumber several times those of the last war, and we haven't the industrial expansion; after they come back, they might have ideas, and the ideas are going to be altered by circumstances, and, if they can, they will form a political organization of their own.

Can you tell me what you can do to get some action in this area?

Suppose you tell us.

No, I think you ought to tell me first. Then we will see what we can do about it. What is holding you back? You have enough here to organize the State of Ohio. I am trying to get a bedrock discussion going here. If you staff an office, prorate and ration your time. You have to build up a fighting front here. It can be done. You can schedule out your operations. Start a war with a bank president. Where is your sense of humor? There are so-called child organizations. Invite the heads in and have them tell you all about it, and then raise hell with them. You know more about it than they do. With the set of tools you have, you can carve anybody down to your size. They won't even put up a decent resistance. Build up a library. Schedule your work out on the bulletin board. You have the ability but how to release that initiative? I'll be here for a week; we can talk it over. We want to get some action, and action is going to be necessary in the next year. The amazing thing in Technocracy is this: in spite of thousands in the armed forces, the membership has not fallen. Amazing record. We have a responsibility, and that responsibility is all over this country.

The communists accuse us of being fascists, and the fascists accuse us of being communists. I have been called the American Lenin. You can take your choice. It is amazing, peculiar. How many of you have received orders or dictation with my signature? A very rare thing. They bring all sorts of charges against you. Just like some of the newspapers asked: "Where do you get all this money?" "You didn't buy this equipment with hay." We bought it at 15 and 10 percent off. Had a truck bring it from the dock.

After all, we have people in the export business. They wanted to know where Technocracy gets all of its money: and we say we will be very glad to authorize the release of our annual report from the United States Government to them, that is, in the New York Times. We'll authorize the Attorney-General of the United States. It would take five full pages in the New York Times. We object to being printed in little print. Remember, this is the only social movement in the history of the United States. It is an incorporated, nonprofit, nonsectarian, membership organization, and it has to make an annual report.

Remember, the government can check any organization through the clearing house, just as they can check the individual if you have a bank account. If there was anything out of the way, we would have been nailed to the cross long ago. They have had us up in court twice, but they don't have us anymore. Remember that they have tried everything they can possibly think of. Slapped a judgment on me personally. Had a warrant presented to me in the Hollywood Bowl. It is a battle. They can fake stuff, yes, skullduggery galore. We have had to contend with it.

We have had people in this organization in order to disrupt it. We had a Director of a large Section in spite of the fact that the membership was warned not to make him Director. It took several months to track him down. He had a prison record, served several years in the state penitentiary. He had his fingerprints changed so that it was difficult to trace his criminal record. He was on the payroll at the request of certain organizations which we will leave unnamed. He was clever; he was put there for a purpose. You will have it happen again. We have had it happen at CHQ. We fired them out. It wasn't money they wanted. It was only to disrupt the organization, and they were willing to pay well for it.

About my being a Joe Stalin, that is a current remark. "A Technate would be all right if it wasn't for that son-of-a-bitch, Howard Scott." If Technocracy ever comes on this continent, you will hear people say Scott was a Hitler and Stalin all rolled into one. You will hear people say, "Why, we can deal with Communists but you can't deal with those Technocrats."

They offered a compromising position to all other organizations, and they jumped at it. The same offer was made to us, and it was turned down flat. You can see what an enviable position we are in: no big money, no strings tied to us.

We are in a position to go to town, clean across the country. The question is if we are correct in our analysis, internationally, and if the strategy of our organization is correct to the historic parallelism of events, we have a job on our hands. It will be laid in our laps, whether we like it or not. They are telling us that we have to take it, and I am not talking about ordinary people.

I know my Americans, just as Sam Houston knew his Americans. He knew his army would desert unless he prevented it. I have been at this 25 years. I don't own a dollar's worth of profit, no security, no personal property except my clothes, no life insurance, and no bank account. I am not asking for sympathy; I am giving you the cold facts. We are in this to fight. I have fought when there was nothing. We have an organization to fight with today. We have a membership that is finding out how to fight. They all want to advocate a modified total conscription. We would have plenty of backing right now in the United States, provided you make a fake appeal and sell it out. You can get one organization that has $23 billion represented. They will back you.

They offered five $500,000 checks -- bank checks. We turned them down. "You will regret this." Forty-seven people present, outside of four Technocrats; all were arrested sooner or later. Representative of the best there is. What did they want? An agreement, backed by $23 billion, with the guarantee they would be left in perpetuity. They wanted to subsidize you: that was the real hay.

Do you remember the late General of the United States Marines, General Smedley D. Butler, came out a few years ago -- the charges he made? Well, he only named a few of the same crowd. We had all he had and more. That is the kind of thing you have to buck. Well, you are into something like that; you are in a war and it is a fight. I have spoken in one of the highest, most exclusive clubs in this country, and I was inveigled into drinking water and landed in the hospital with gastric hemorrhages.

These are the hard things where you get it slapped to you. They have tried all the dirty actions they could think of. They have tried it in various places. We have no illusions about it. Yes, we are hard. You have to be hard, and you have to face realism in an organization of this type. You are not the Republican Party that you can drop it and join something else. You have to fight for your principles and for your concepts as a Technocrat or you are going down. That is a different attitude than you are accustomed to getting. I am not singling out any individual. I am talking of our membership as a whole.

Howard Scott does not want any political office. It is up to the people of the United States by national referendum to alter their whole economic channelization. It is up to the people to put in their own administrators; but Howard Scott doesn't want any job. I have my job picked out for me, and I mean it. I have spoken in hundreds of cities on this continent, spoken in 81 different localities in Canada alone. When you speak in as many places as I have -- I would like to retire and talk to four-legged animals for a while. I have no ambitions -- very difficult for many to understand that. They have nothing that Howard Scott wants.

You have to have that attitude: otherwise, you would have a price, and they would raise it until they got high enough. There have been any number of people developed the idea -- maybe it is this or maybe that, and they can't trade with it. That is what frightens them. In other words, to give them the deck and let them deal it, and still they can't win.

You won't have to do any reeducation. You just stop and look back at the literature and magazines of ten or twelve years ago and look at it now, and you will see every article today on the social situation earmarked with our nomenclature, our phraseology. We have done this, and was it composed of big shots? No, just average Americans. We don't score in the Price System America or have corporate executives. We have a few, yes. Technocracy is a membership organization. It is composed of every type of citizen. We have done this by mass pressure. It takes a long time. Look at it yourselves, how long it took you to get going. You didn't start overnight. You had all sorts of ideas. You probably joined because Howard Scott was such an awful character and something had to be done about it, and look where you have wound up. Well, here we are. Your Director has known about the fait accompli for 25 years.

I was six feet when I was fifteen. I never had any childhood the way a lot of children have. I just grew up, like Topsy. Running a construction job when I was 15. Now you get infected with this. It is a disease you can't check. You will never get over it. You go out and try to quit it and see what happens. There have been disappointments, yes. I have known the day, some years ago, where all we had was a little room -- one slept on the mattress on the floor, the other the springs; and yet I had to turn out to speak to an audience.

I would like to have a home, too. I would like to have a wife, but you can't do it. I am not asking for sympathy. I'm merely telling you this so you will realize that it wasn't done by emotionalism. We realized the hazards; we made our decision. As individuals, you can jump around and make a lot of mistakes, but you have to be correct on a national scale. Even if there weren't any Technocrats -- remember, I was one before any of you, and I would still be one if there weren't any of you. That is fair enough.

Q. Tell us about the Hotel Pierre address in 1933.

A. It was at $20 a plate. Forty billion dollars of invested capital represented there. From Thomas Watson clean down to the United States Steel, Standard Oil -- they were all there. Something very significant was said then, that, within the next decade, we would witness that the merchants of debt -- capitalists, democrats, and communists -- would be found down in the mud of the last ditch, fighting together in defense of this system of disadvantage. It has turned out that way. They never like it when you upset their values.

We have done a terrific job, but it is no time to sit down on it. Keep on shoving. Clear across this country we are on record. There is no other organization that has a constructive war programs. Little gestures, yes. We are the only ones that went down the line on it. It has had its effects. It takes quite a while to permeate, but they know this color. Even the generals in Washington salute this color. They know that we stand for certain things. You won't find the army fighting it. We have the navy wearing gray now, and the United States Air Corps will have about two million of them. Now there is a significance to this gray. You know the United States Army of Washington's time wore gray, the Continental Army wore gray -- they wore it in 1812 and 1847; so there is a historical background. We are just being nasty in bringing it out. The army is going to make it for us now.

MEMBERSHIP MEETING
PUBLIC AUDITORIUM, SOUTH HALL A
CLEVELAND, OHIO
10-17-43

Well, I think you will all roll over pretty soon. You will. A lot of you probably wondered at our strategy at times and so has the rest of the continent, but if you look back twenty years to the last war and picture what happened then to all kinds of organizations and their strategy of the last war and compare the strategy of every other organization with this one, the odds are all ours.

In the last war, Eugene V. Debs went to jail--Stokes, Berger. They arrested all kinds of IWW by the thousands. They seized the equipment and household goods of the Amish Sect and sold it on the streets and sidewalks. Well, here is an organization having gone through this war. We have stood our ground, never compromised, and never pulled our punches. On June 21, 1940, we were declared illegal in Canada, because on June 2nd, we introduced our program of Total Conscription. French Canadian Quebec brought pressure to bear because we were growing too fast. The present elected government of the Honorable Mackenzie King and its Liberal party in 1940 had promised no conscription to the French political class for the Dominion of Canada. There still is no conscription in Canada for overseas duty, only for home service.

Communists and other groups compromised, and while the Communists and others in this country compromised with the Status Woe, with politics and business, Technocracy never once entertained any suggestions, although they were offered; and Friday afternoon at 2:18 p.m., the Prime Minister of Canada unconditionally surrendered. The ban has been lifted unconditionally, with all property, monies, and equipment restored to pre-ban status, with interest.

The Communists, Fascists, and other political organizations are still banned in Canada. So look out for your so-called Commie friends--they are going to froth at the mouth and call you names from here on out. We alone, of all the banned organizations in Canada, never made any approach to the Canadian Government to ever have it withdrawn. Our only protest in 1940 against the action of the ban was that it was illegal and unconstitutional, and having made that protest, the Canadian Government moved through its Department of Justice in an attempt to set up legal cases in each Province and create a legal precedent. There were six or more cases in each Province. Technocracy won the cases after taking them to appeal. So, instead of the courts creating a precedent, Technocracy created the precedent.

We have a peculiar strategy--we never play cards with anybody else's deck. We give them all the cards, and when they come to deal them, all they have is deuces. I remember some years ago in Mexico when a big dice game was going on, where the line was on the floor for the dice; the dice were thrown down the room and bounced above the line and came back behind the line on the floor. There were thousands and thousands of pesos (dollars) up, and a tinhorn gambler rolled out a set of dice on the floor and they came back. There wasn't a spot on them. He grabbed them up and asked, "Who in hell put those in my hand?" In spite of 8,000 pesos on the table, he didn't stay there very long. What happened to him, I don't know; he left for parts unknown.

But we played a game that has been on the top side of the table. It's been tough, unrelenting, and uncompromising. A lot haven't liked it, but, nevertheless, we are as clean as a hound's tooth--never took anything from anybody. The Canadians will not try to ban us again on that kind of stupid grounds. Instead of our losing, we are the gainers, because there are meetings in Canada tonight and maybe they won't let me sleep. Long distance telephone calls are coming in. In one Province, 41 reported in by wire yesterday. Of course, in the big mining camps like Trail and up in the copper centers, they are digging up their pins.

Here we are going on. We are going to be accused and called a lot more things right now, because certain so-called radical press in this country will froth at the mouth. The Communist Party can't exist in Canada. It is called the Progressive Labor Party. It only exists because the Communist Party leaders were released by personal agreement with the Canadian Minister of Justice. You will find it quoted and acknowledged by the Minister of Justice in the "Hansard" official organ of the House of Commons. The Canadian Government released from concentration camps, jails, and from so-called hiding, the Communists and others on personal agreement, in which the leaders agreed to support the Liberal Party of Canada--King--and support the government's so-called Liberal Party, the war effort, business, and the conduct of the war effort. The Progressive Labor Party leader, ex-Communist leader Tim Buck, is now out speaking openly for business operations at a fair profit, at least 4% profit. What does it sound like? The Communists are sloppily more liberal than the Liberal Party ever was. And more-or-less, it's happened here. Browder was released from jail. We haven't had any admission from the Administration in Washington that there was an agreement. No doubt there was some kind of agreement. There is a similar pattern.

Now here we are; we've got to roll over. Thousands of new members overnight, and it is a headache, because British Columbia has grabbed all the charters, MAs on the Pacific Coast clean down to Portland, Oregon, overnight. There are not enough supplies out there. Well, it will be felt clean across here pretty soon.

Now try to understand that this move in Canada today was not the result of Big Business. Big Business in Canada doesn't like us there or here. While the press of Canada had to carry it, just as the radio carried it, it was announced as coming from the Premier instead of from the Department of Justice, just as an announcement from Roosevelt would have to be carried by the press and radio here.

Now the press blew up the fact there was a number of organizations--Finnish, Ukranian, and others--from which the ban was lifted, and way down at the bottom of the column that the ban was also lifted from Technocracy Inc. Now the Ukranian organization existed where there were foreign Ukranian groups--so also the Finnish. In Canada, Technocracy is widespread, with 208 offices--we are mentioned away down here as an organization that didn't have very much support in Canada--just a couple of lines. In other words, Big Business doesn't want to advertise it.

It is an amazing thing--somebody came to Canada from the United States, because Prime Minister King would not have made it, unless there was some agreement in Washington, somewhere, somehow. I wouldn't know who it was. It definitely wasn't the State Department and it wasn't the Treasury Department. There is only one I could mention that might at all be interested, and that would be G2 in the General Intelligence. They might look at it this way: there is only one man on this side of the line that can go across the line into Canada. The Republicans can't send Willkie into Canada. He can't speak over there. He spoke over there once, very vehemently, climbed on the table top and fell off the table into the microphone. Well, you can do those things down here, but those Canadians are too serious for that. "What was the matter with the sap that he fell off the table?"

We can't send Wallace. Dewey won't be any good. The Democrats and Republicans here are not radical enough for Canada. The situation in Canada is tense. The Liberal Party in the Province of Ontario went down to a landslide defeat in all biennial elections. Across Canada the Liberal Administration has been defeated in the biennual elections. The Canadian press and Big Business is worried. They are having bold-faced editorials in financial papers advocating Liberal Parties combined into a single free enterprise in order to save Canada from this nationwide revolutionary spirit that is sweeping Canada. Well, this so-called revolutionary spirit that is sweeping Canada that they are talking about is a balanced load operation of Canada and the continent. We never heard those words before, did we?

Of course, the CCF--the Commonwealth Federation, is getting the votes, because they will vote for anything that is a protest under existing conditions, but the CCF isn't radical enough. The powers that be in Canada aren't radical enough. The CCF has one policy in one Province and another policy in another, and another one in another Province. They'll have any kind of policy in any Province if they thought they could go to town. They are sloppy liberals with a dash of socialism and cooperatives and everything else thrown in. They propose to nationalize the railroads, nationalize power production and distribution, and the retail would be done by local cooperatives, but the big companies would not be nationalized.

Well, you see we have them going far beyond that, and here they are letting us Technocrats in, and, up in Canada, most Americans don't know that Technocracy is a far more revolutionary organization--so much more so, its social program is more revolutionary that Communism is so far to the right it is bourgeois up there, and they have no hesitation in telling you either.

So here is a political melange up there in which the old order is going down and which, for some unknown reason, some interested group, nationwide in Canada, wants us back in, and the pressure has been great enough to upset the pressure of the French Quebec, the sole support of the Prime Minister of Canada; and that is some pressure if you know your Canada. Of course, we are the only organization that can guarantee the French Canadian the same abundance and the same opportunity and operation in Canada nationwide as a Canadian, not as a French Canadian. But if the French Canadian persists in his political sabotage, there will be a declaration of war on the Province of Quebec when the war is over. We are not kidding. In other words, get in or get out; if you are to get out, you are going to fight. That is how Canada feels about it. Very few realize that, but that is the position that we would take, and we would have the support of approximately 10 million Canadians in that attitude of having 2-1/2 million agree, or else. So we are not going to get back in Canada on a compromising attitude or having to say "please"!

There were over 600 residences raided between three and five in the morning in Canada--not only once but several times--as a policy of intimidation by the political Gestapo of Canada in the last three years. Well, their Gestapo policies didn't work, and tonight the wires in Canada are singing and they are on their way. Probably 11,000 miners in Flimlam have consumed all the beer and liquor in Flimlam, but that doesn't stop them from asking you which side you are on--you had better know or you had better leave town. They have stuck it out. It's the same way in the Kimberley mines--they have never wavered. They contrived to get the news out and to get funds out; they never stopped, and yet they were raided, bothered, and intimidated. The intimidations didn't work. Can you imagine the excitement!

Well, I am a bit tired out, so don't mind me. That is the thing we are facing here. We are facing a situation internally that Technocracy has continually pointed out. It was that when the technological equipment was installed due to the impetus of war or business boom, it would be impossible to operate the technological equipment of the United States at continuous use full load for two years without running into an impasse. We compared situations in Europe. They could operate at full load for thirty years and it wouldn't come to an impasse. Some of you may recall those statements. That situation has arrived. There are cancellations of war contracts.

The terrific volume of production is piling up, and in many places they don't know where to put it, in spite of the fact that many--but not all--of the war industries have their payroll so padded that you've got to move the employees out of the way to get the work done. At cost plus 10%, our war industries and corporations in war contracts excel on actual material contract--have padded their payroll to the limit. The greater the payroll padding, the greater the gross pay down, and the greater the depreciation and reserve and the greater the profit. Of course, profits are greater than ever before in history, and the corporation reserve is around $28 billion. Just what the devil are they going to do with it?

Now, in 1938, the United States had a producing capacity far in excess of its consuming capacity; namely, of purchasing power to consume, and there were between 7 and 8 million unemployed then. Since then, we put in some $25 billion of new plants. We have increased the productive capacity of the United States almost 100%. The technological productivity of the United States is increasing at the rate of 8% per annum over the last ten years in spite of the depression. Well, here it is moved up, and regardless of the inefficiency and interference--and that is terrific--productivity is increasing, and you are going to feel it in Cleveland, Ohio. You may have felt it, because they are going to cut overtime hours, and Jack & Heintz will come to a more normal working week. Well, it won't be long. Are you working Saturdays? No, nor Sundays. We get our reports, too, you know. Six tank plants have shut down. The Russians have not taken any more in the last six months. They call our tanks "tin torches." Besides, they are building enough of their own. All are diesel driven. Their tanks are wider, lower, with heavier firepower, and, of course, they do not catch on fire. The Russians want foodstuffs, trucks, machine tools, and technological equipment from now on. Funny people, those Russians.

Eight of our arsenals have shut down. The operating load for the textile industries next year, as far as war contracts are concerned, will be only 50% of what it was this year; and, as the operating load of textiles was 97% war orders, the textile industry is now worried with all the beautiful excess capacity.

Well, we have a method of making gun barrels, the rotary gun barrels. Well, of course, they are making gun barrels like that, down to where they make gun barrels so fast they haven't sufficient machines to make the breeches to supply the output. The barrels are piled up end-to-end for half a mile, rows and rows of them. We have a plant out here that produced a billion this year--well, it produced its second billion in about a third of the time that it produced its first billion.

Now, you can go down the line. We have introduced various processes in technological equipment that have stepped up production. If anyone thinks that the acceleration of the last war was terrific, you had better move over, "honey chile," this is going out into the blue. In fact, it is stepping up so fast they don't know what to do with it.

Besides the $25 billion worth of new plant installed, there is one billion that isn't in any plant--surplus production of the equipment. Industry is standing ready. Now, that is in excess of all the equipment that is shipped abroad. We have shipped equipment abroad that we have never shipped before, and the world has a different looking face today. In the last war and up until the start of this, Australia was primarily an agricultural and mineral raw producer. Today, Australia passed out of that class forever. Australia has the largest machine tool producing plant outside of the United States. It used to import its machine tools from Germany and Great Britain. Australia will never import any more machine tools. It will now export machine tools if there is anybody that needs machine tools. Australia is producing optical glass, binoculars, range finders, and spectacles. Australian ships are up to 16,000 tons, warships up to cruisers of 10,000 tons, all guns up to 8-inch guns; producing all of its own tanks and own planes, both fighter and bomber planes. Makes its own aviation engines complete and is putting in an aluminum plant; increasing its steel production alloy. Australia's development of the textile industry is of sufficient capacity to clothe Australians, and it has developed a shoe industry to where she will shoe all of Australia and send 9 million pairs to the British Army. Australia is in the meat canning and quick freezing industry; mutton, beef, and lanolin from wool. It has a chemical industry developed; canning pineapple and other foods. It is even exporting bottled wine. Well, is there going to be any great market for foreign trade in Australia? The answer is no.

But the same thing is happening in South Africa and in India. India is producing boats, guns, and trucks, ammunition. India is the greatest producer of army blankets, tents, tarpaulins, and burlap bags. Well, there are machines going into India, so the Indian is

turning over, but the Japanese are doing the same thing in their sphere.

The machines are American--Great Britain's are American. The production of Great Britain is several times the British ever knew before. In Canada, in the north, there has been a relative increase in the productivity of Canada, and little down here, because we have put in equipment and plants in Canada and we have jumped out into the blue. Canada has an arms industry, chemical plants, all kinds of things which it never was in before. Canada produces range finders. Well, why not?

What you sense here is not the American Century of the common man as proposed by Henry Luce of FORTUNE MAGAZINE and Vice-President Wallace. It isn't that kind of century at all. And those of you who accidently heard Sumner Wells yesterday--he stressed the prime imperativeness of a world organization which we had to belong to and lend our support to a world organization to police the world to maintain peace. That is the kind of confusion that is perpetrated on our Americans today, because there are two kinds of a world today: one, the world that produces the human toil and hand tools, the other the destiny of an economy which is entirely different and antithetical--an economy that produces physical wealth through the degradation of energy--there being nothing in common with those two economies. Neither can you have any stable world conditions based on a national economy of human toil and hand tools. It has not the same morals and methods and aspirations as the economy producing its physical wealth with extraneous energy. It is a totally different thing.

We are being drugged with a slavin morality of Christian humanitarianism. We'd like to hope the world is stable long enough to have more business, better business, and at a bigger profit for a longer time, and that is innate idiocy. That is the kind of confusion perpetrated across this country. The British Government issued the latest census on India. It shows a population of almost 400 million. What is more important, it shows the population of India has increased 50 million the last ten years--a country increasing at the rate of 50 million every ten years! Now, the resources of India are greater than other countries in Asia, but they are not great enough to turn over the energy per capita basis of the North American Continent for more than a few months, no matter how much you like to believe to the contrary.

China has 350 million population. China has not the resources and the sentimental hypocrisy projected that we can raise the livelihood of China to that of the United States are really social anarchists, because he contributes to this damnable confusion. They are kidding the average American brought up with this sloppy nonsense to put the Chinese on a high idealistic state when he himself at home in the United States lives like a pig so somebody can be an angel hereafter.

You know your own City of Cleveland--Akron, Detroit, and Chicago--it is the same way. A few large buildings, industrial plants, nice beautiful lawns behind the trees. Those who work think they are something if they have a house, though no breeder of thoroughbred pigs would keep his pigs in it. He wouldn't, as pigs are kept in up-to-date piggeries under modern scientific equipment. He wants his pigs bred right, fed right, so on down the line until they become "poke chops." And yet we are full of that sentimental nonsense--let's help the Persians or the Chinese, Javanese, or the Burmese, or somebody else on God's green earth except our own country. It is amazing what has happened in the last 80 years. When he reached an income of $10,000 a year, he moved out into the suburbs and immediately acquired myopia--couldn't see beyond a quarter of a mile and the rest of the houses in the same community, couldn't see those, never knew they existed--they became superior beings. The female goes out and insists on John dressing up and getting approved and making a smell like all the other rats.

The steel industry of the United States has 32,000 less employed than it did a year ago, although it is producing more steel than it did a year ago. Every single industry has installed equipment with contracts great enough so that the employment has gone up and

production has gone up toward the sky. Lo and behold! From coast to coast, it is jamming up in North America and 72 other places on the globe. What is the trouble? We are in the greatest business boom in the history of the world, and a good many people who are in business and those who are in war jobs, why, they have never been better off in their lives. They would rather see the war continued. They are in the gravy with all four feet at the same time, and, well, "it's too bad their John had to get drafted." Outside of that, it is just "jake." You can hear many saying, "This is a break. If only it will continue for a little longer, we'll be sitting pretty." Well, that is what is said. Out on the Pacific Coast, the war worker is jamming money in both pockets with both hands, and they can only work with their feet. Don't blame the populace--it is not their fault. The fault is of the system.

Well, what are the prospects for keeping the machinery rolling? It is not very good. Our foreign policy of the United States, Great Britain, and Canada has been to militarily win the war fast enough to use up supplies but not fast enough to win the war right away. That would be poor business. In other words, we only want to win the war fast enough so that it won't put a kink in our war contracts, not fast enough to prevent the Russians and Germans from bleeding each other white down to the last pint of blood. That is our great hope. And if we had been able to achieve it, we would have been able to step in when the last German faced the last Russian, and we would have been the Big Cheese in the European war. The only trouble with that is our judgment, our discernment was all hindsight, because we were sadly outplayed. We were all wet as far as the Russians were concerned. Remember back in 1939 when the Russian army moved into Poland? The American press, war correspondents were with the German army from the opposite direction; the military, naval, and air observers were there, too. The papers were filled with photographs of how poorly the Russians were dressed--they had no uniforms, didn't have any equipment, and "Oh, the poor Russians."

They came into GHQ, slammed down a lot of photographs. Here were long lines of old equipment. They asked, "Mr. Scott, what do you think of it? Look at the antique equipment." Well, I told them they were old Putlow trucks which hadn't been manufactured in over 20 years. They had dragged out all the old uniforms and the trucks out of the museums and everything else and so fooled the British G2, the United States G2, and the United States press and big business sent it promptly across the country, so that when the Finnish War came on, what happened? Why, the Finns are a wonderful little nation--it paid its interest on its war debt. Why, they were gobbling up the Russians. The Finns captured more Russians than the total population of Finland, the Russians didn't have any uniforms or equipment, and they were frozen to death by the thousands. That is the impression that was given to everybody, and yet nobody seems to understand what has happened there.

The great fortifications designed and constructed by the builders of the Maginot Line after the Skoda Line, with all the improvements, and the Russians blew it to pieces at 47° to 52° below zero. Now, what did they use to blow it to pieces? In January of 1940, we were called crazy and up until this year by every department in Washington, because we laid down the Russians' strategy. We said the Russians had a 300-mm. gun, hydraulic breach closing, automatic loading, the largest, longest range, mobile field gun in the world or at any time. Now, as to the Russian anti-aircraft guns, the Germans didn't get through at Moscow but did get through to London. The mainstay of their anti-aircraft were 12,000 150-mm. long barrel guns, with a muzzle velocity of 2800feet a second. That means a ceiling bursting at 44,000 feet, surrounding the whole city with these guns. They could then knock them down like dead pigeons. This doesn't mean they are anywhere up to where we are technologically--that they don't make mistakes. Russia did, but they had sufficient latitude and elasticity in strategic command to utilize social advance of what it had when they found they were in error, which is rather difficult to say of our country.

It is amusing, in part, what Russian designs came from over here and we haven't got to yet. But, on the other hand, three of our best plane designers came from Russia. It merely proves that the Russians have the ability to design things themselves, but they also

recognized what we had over here, took it and developed it. So here is a situation developing. We'll know very shortly if Russia will cross the Dneiper, Tems, Orshia, and Gommel. They are going to shove the German front line back several hundreds of miles and they won't make peace, but they might rest and consolidate for a while.

There are only five divisions in Italy. Remember, the Russians have never fought below 200 of the enemy division; so, we are in a kind of dilemma as to what to do. We are rolling over here at a continuous full load to maintain the greatest business boom in history and how to continue to win the war militarily over there fairly fast enough, but not fast enough. Fast enough is too fast, so Technocracy has a suggestion. The only way to continue the business boom of the United States for another two years is to persuade Germany and Japan to stop using any manufactured goods of their own and permit us to supply them. I know it startles you. We'd have good business then.

Now there is another side to this picture. Labor in the United States has been enjoying overtime pay and overtime hours, that is, they work 70 hours actual work and 109 payroll hours. But as this productivity mounts up, the hours down here are actually coming back to 40 and 48 hours a week. In the meantime what is happening on the social side? The cost of living has gone up. Food and taxes are going up. Of course, next year's taxes are just lovely, just wonderful. What you don't get you pay the most for--you know what I mean. Here is the present prospect: that with higher and higher taxes, the hours will be reduced and overtime will be cut out. Now, let me ask you, if your overtime is reduced to the total work week that you worked in 1937, would it affect your income? If you were cut back to the 1938 level, how many would have less income? Now, the rest of you here, your income has been no different than it was in 1938. Kind of tough if you work in the educational field, or the government, or some railroads, or United States Steel. A vice president of a bank was telling me that he had two sons, that one had graduated; the other one was going in for literature and had taken his MA, that now he is working in a war plant. After he had been a year or two at his profession, he made more in a war plant than he had at his so-called profession, and after working in the war plant he came to the conclusion that the workers were getting too much money. Of course, not all people in the United States have had their incomes raised due to this war. There is a percentage who actually get less now than they did in 1939, and there is a percentage that are getting the same, but their living standards have been reduced. Now, if you wipe out the overtime hours and overtime pay with this increased cost of living, look out for the installments on that mink coat and 24-record playing phonograph and fur-lined toilet, because all will be hit. Now the taxes are not up to that of Canada, but they may shortly be.

in Great Britain, it makes no difference whether you own a farm of 30 acres or one million acres--you will only get $3,000 a year, and if you have an ancestral old home farm over there with 67 rooms, they will only let you have three rooms and fill the rest of it up. The British is not the same "no mo." The "bloody" place has gone to hell. Britain is in a peculiar state. They are mining iron ore of less than 23% Fe content per ton of ore. That means it takes 5 tons of ore to make a ton of steel, and approximately the same amount of coal. Well, there is no tin there, no copper, and the coal seams are thinning out, and they are digging deeper. War production has forced them to take out the less accessible coal; so they will be worse off potentially, and it doesn't matter about their stocks or bonds; and 35 million British are due for export, whether they will export on the hoof or canned for the cannibal market, but export you will have to. I know it is rather hard, but you can't ask God to replace the coal on the British Isles. There was a time not so very long ago when the Pope, the Vicar of Christ, could talk to God; now he can't, because God only understands Russian.

Politically abroad, we have not been so smart. Our policy abroad, outside of waging a military warfare is one, the other the economic side. The political side is very interesting. The matter of propaganda today on a worldwide consumption basis promulgating an international doctrine of a worldwide revolution, freeing the world from want, but we never had any intention

of implementing it to the slightest degree--what Barnum called sucker bait. At the same time that we threw out the sucker bait on a worldwide basis, we exported the very tools of social revolution--the technological equipment we have shipped abroad by the boatload, tools so grandiose that they will blow up any social economy that gets enough of it. We had no intention of ever being cognizant of the social revolution when we exported it to the world or responsible for what would happen. It was merely for the immediate expediency of economic, political, and military, and we didn't want any future obligations for it. So here we are kidding the world and ourselves.

Your friends are all fed up with the drippy drool of the "four freedoms" for everybody except the Americans. Homo Sapiens Americanus--mostly sap. Our actual intentions when we exported the propaganda of sloppy humanitarianism and exported the tools of social revolution are of far greater concept. The humanitarian bunk that we have proposed to do was to change the facade of fascism in Italy, to have fascism without Mussolini, maintain the House of Savoy and Badoglio and change the fascist structure up and down Italy. We wanted fascism in Spain but without Franco; fascism in France but without Petain and Laval. They were bad boys. Just like the girl that got caught--she wasn't smart, so you can't speak to her anymore.

That is what we really wanted to do. We drove a bargain with the fascist generals in North Africa, and the only reason that Darlan came into the picture was that he heard what the rest of the gang were doing, so he rushed in to muscle in on the payoff; so we shoved more gold over and $16 million went down on one of the boats--one of our transports.

Well, before we invaded North Africa, a lot of peculiar little things went on. Now we had a Robert Murphy over there. The British had McMillen over there--McMillen of the McMillen Publishing Company. Murphy graduated from Marquette University--that labels him--he was a lawyer. Well, the boys in France somehow or other knew that North Africa was going to be invaded by the Americans and the British Navy and knew some weeks previous as to the invasion; and, as France stood, somebody on our side of the picture approached somebody on the other side of the picture--and never mind who on the other side--the Bank of Paris and the Bank of Cologne in Germany somehow or other got a deal agreed whereby you could transfer francs from France to North Africa in the days prior to our invasion and there would be an agreed exchange basis--as it existed, 100 francs to $50. In other words, go out in the open market and double them right away. You understand? You got 100% on your money right away, with the result that the Bank of Cologne, Germany, international bankers settlement, and the representative of the Bank of Paris arranged through somebody that represented us--I wouldn't know who--the transfer of funds. The amazing thing--over in North Africa there are $62 million (American) that belong to the Commentate of Forse. The Commentate of Forse happens to be a joint stock ownership in the Herman Goering Bank.Clever people, these Frenchmen. Morgenthau doesn't like it. He is scared of it. There are a lot of funny things like that. So, politically, in that sense we want to keep the old gang in.

Now, Giraud was recognized by the Vatican, the conservative interests in Great Britain and the United States, and the extremely conservatives got him to Africa. Well, Russia recognized De Gaulle. You can see how complicated it becomes. Well, now, we put in a military government proposition, and we called it the AMGOT--The Allied Military Government of Occupied Territory. The only trouble with that is that in Turkey it refers to what the horse drops. It became the laugh of the Mediterranean. Now it is only AMT. Well, the AMT, the head of the Allied Military Government of Sicily, is Lord Reynolds of the British House of Rocque. Well, he is a partner of Morgan-Brenfell of London. Begins to get interesting, doesn't it? Morgan-Brenfell of London loaned Mussolini $100 million, of which $60 million is still outstanding. Is Lord Reynolds supervising the election there or what the hell is he there for?

We are following the same game here. We put a Stettinius in the State Department. Averill Harriman, that hard-working boy, worked himself up from the bottom--never had any help--inherited $70 million. He had to work under that terrific handicap. He increased the

principal to almost double. Stettinius, of the Morgan Partnership, was head of the U. S. Steel Corporation and the brother-in-law of Avon Tripp of the American Airways. Stettinius in the State Department and Avon Tripp in the American Airways--they wouldn't want possible mutuality of interests, would they? Freedom of the air, for instance. Now, we send Averill Harriman over to Russia. The Russians know Harriman. They remember all he was mixed up in in time back. So here is Big Business this side of the water doing exactly the same thing that Big Business is doing in Britain. Now you remember that we were the first to bring out about Rudolph Hess being shot down in the British Isles? Of course, we sent Archbishop Spellman over to Italy and tried a Spellmanization of the Hesscapade.

So, here we are with no clear-cut objective in our foreign policy and not knowing what the hell we are going to do with the accelerated mechanism at home. In 1940, the Republicans were in full agreement with the Democrats on the foreign policy of the United States but disagreed on who should run the internal operations of the New Deal. They concurred with the New Deal, provided the Republicans would run it. Well, the New Deal was nothing more than a liberal streamlining of a lot of old conservative hooey. All the intellectual liberals jumped in to hurrah that we are going to get social reformation. The hell you are! You are getting goose served up to you.

Now the Democrats are going so far to the right they are spraining their ankles and are in the same boat with the Republicans. You go back to the Woodrow Wilson Fourteen Points--they ended up as one of the damndest debacles in history. He was discredited at home while still being applauded abroad. If we keep this nonsense up face-to-face with the fait accompli presented abroad and face-to-face with the fait accompli presented here in the United States, if Russia crashes through the Dnieper Line--and there will be a collapse of the German front in Russia--and moves back--if it doesn't right away--it will be a holding operation. The time is put off, the event is not. So, if the Russians are victorious on the eastern front, Russia will present the Western Democracies with a fait accompli of military achievement, and we here in the United States, with all the stupid blundering and four-flushing, will be compelled to eat Crimean dead crow with Russian dressing. Consistently, for twenty years, we refused to recognize the integrity of Russia or become aware of the world we lived in as a realistic world. We insisted in talking in terms of international high finance and all the skullduggery and hypocrisy that goes with it.

We send over Averill Harriman and Stettinius, based on the assumption that if you fail to sell the man with one kind of sales talk, try another with a different approach. The only trouble with that is, when dealing abroad, that there may be nothing to sell. Remember, if you lose a poker game tonight, the wife may squawk a little, but still your standing in the community would be the same that you had; because there will be another poker game tomorrow, or next week, and your prestige will not be lowered--you will not lose face. Well, you just came out on the short end of that game. You can lose at a horse race and still bet on another the next day, because the horses will run again. You can do the same thing on the stock market, and you won't be a renegade in your community by having a force-out sale. But, get into the international events, the horses only run once and the cards are dealt only once. Kerensky never came back.

Here we are, educating the public of the United States in more and more confusion. You ask any soldier in the army or sailor in the navy what they are fighting for, ourside of saying they are fighting the Germans or Japs or Italians, well, they didn't quite know. There never has been any propaganda, collectively. Each individual has a different individual answer. We have no national cohesiveness, no national objectives in what we are doing. We hope to God we'll win the war--not when we'll win, so that it will not be too upsetting if we win. If we won too fast, the peace, why, it is going to be worse than the war--more dangerous. Well, it can be, because in the last war, there were only a few that had to come back. We only had two million abroad in the last war, and our industrial equipment wasn't turning over at the huge productive rate, supplying goods, implements of all kinds, to all

the Allies. They had the equipment. We had to arm our troops with foreign equipment; we never got enough supplies to our troops. But today, we are geared to a huge output, and these men returning are told they are going to get their jobs back and that the Democrats are going to solve it. Like hell they will! Or the Republicans? Like hell they will, either. You know that.

Canada today is giving an indication of the trends. Canada is going to the left with a vengeance. What is labor doing today? More and more labor unions are passing resolutions and giving attention to Total Conscription. Now the COMMUNIST DAILY WORKER sent a reporter to interview me the other day, and the Communists of the United States and the DAILY WORKER are worried about it. This is their statement: That we are making inroads in American labor, and what worries the Communist Party is that Technocracy may possibly--and might probably--assume the militant leadership of the labor in the United States; furthermore, that Technocracy advocated all-out aid to Soviet Russia because it was the prime power adjacent to this continent and because we have consistently held to the position that the Russians might even think more radically than the Communists. Not that we are interested. We don't care whether the Communists endorse us or the Socialist Party or the Republicans or the Democrats or the CCF, or the liberals. We would rather they didn't. We play for that, realize that. We have deliberately encouraged it.

Those of you who have been in the organization a long time or remember discussing it with me eight or ten years ago, that we would get the United States Government to do things for us. Well, we are, aren't we? The Navy is getting into gray. When the new Air Corps of the United States is formed a separate part of the United States Armed Forces, there will be over two million of them in gray. Now, if you read the United States Navy specifications, it states that after considerable research, they have approved this gray because it had the least visibility. I don't mind their stealing our ideas, but I do mind their throwing it in our teeth.

There are several things to discuss. One is get over the idea that any American, no matter how hard he works, no matter how much he steals, no matter how much he finagles, no American can purchase security today on an individual basis. No matter how much money you make, your money cannot purchase security. It may inflate your ego, but do not fall into the error that your economic gain can obtain social security for you in the next few years to come, because the social security of any American from now on out is dependent on the collective security of the other 135 million Americans.

Well, the other fault that we have around here is we think we can go to church or in our own minds what passes for obedience of the faith, or you might say it this way, that if we were all Christians, we wouldn't need Technocracy. Well, that is a lot of nonsense, because Christianity, voodooism, or Shintoism, that is a spiritual thing, and no spiritual knowledge can contain any designs for operation of a Continental Area. If you all became 100% Christians tonight, it wouldn't alter the standard of living 1/10 of 1 percent. But here is where the rub comes in: Those who profess sincere Christianity claim they want to be their brother's keepers. The amazing thing is that you can't be that brother's keeper or lead a Christian's existence unless there is a production of abundance and the planned operation of your entire area. Only until then can there be physical existence to where you are capable of even acting what your spiritual religion professes; otherwise, you are living a fake proposition, an abstract that you cannot practice no matter how sincere. The ministers of religious faiths promulgate confusion everyday by saying, well, you will have to suffer and do penance and come to Jesus, come to them.

That is all very well, but it is downright sabotage of the world they are living in, an apostate of their spiritual belief which they profess, because you can take their own religious works and look it up. What are they trying to do? Trying to condone and collaborate this Status Woe. It is their economic sustenance, and they don't want the status changed in the slightest degree. Well, that is pretty tough. I dined with two Bishops of the

Episcopalian faith in New York, and they were asking me what I thought of their plan for social reformation in the Episcopalian Church to educate the Episcopalian worshipers to the changing social order--not all faiths, but only the Episcopalians. When I pointed out that it might take one hundred years for achievement and that the world they lived in wouldn't exist any more, and their spiritual reformation would be entirely out of tune of the world they lived in, they hoped it wasn't so. We drank very old and excellent port wine. The Evangelical Church of the United States have excellent wine. Of course, the Evangelical parishioners never get a taste of that. When it was pointed out to the two Bishops that, unless they had a program of social action for this continent--regardless of their particular faith, they thought that was a bit drastic. They would have to become positive and not negative, and you know that is really too much to ask of a Bishop. Of course, Christ said, "Take up thy bed and walk." But they wouldn't want to do that, and they couldn't have their old port. You have to face this. I'm not picking on the Episcopalians--they are all the same, condoning the slums, malnutrition, juvenile crime, and every other damn thing from coast to coast and very little will be proposed. There will be no positive program, because they derive their very economic livelihood from this Price System. If they did anything about it, then the big corporations and financial institutions would say, "Now look here, George," and he would roll over and decide they would rather have their port wine and the beefsteak. And yet he is supposed to worship somebody. They are even accused of being social leaders. So, it boils down to the fact of this reality: an apostate of their charge, when it is nothing but downright hypocrisy.

The religious leaders, the political leaders, public and social leaders talk on the public and social problems. A Sumner Welles smiles, a Mackenzie King and Churchill attack it in terms of abstract nonsense--the resource energy per capita, food per capita for the Chinese, or the Javanese, or other islands, and we here are face-to-face with realities. You are not going to cure those realities by either spiritual or economic or social escapism. You have to stand and face them. And the problems are no longer on a small order of magnitude to be voted for another generation and hope to God that you can pass them on to your children. The order of magnitude is increasing. Here we are in for the greatest social change in the history of the world, and the average American is totally unprepared for it. He thinks it will be cured by parcel post or Farley or that a political machine exists only in Chicago.

In Canada, the voting in the national election dropped from 34.7% to 19.2%. What that is indicative of is that the Canadian has less and less use for voting for any political machine, and it is falling here. Can't get the turnout. Remember sometime back, they were having a big meeting on Technocracy in Vancouver. There the Liberal Party and the Conservative Party and the CCF were on the air everyday pleading with the citizens of the City of Vancouver to vote for their respective parties, and Technocracy went on the air: "Sucker, get two dollars for it, if you vote!" And the vote in the City of Vancouver dropped to the lowest on record, and the press of Vancouver accused Technocracy. Well, for once they were correct, but we could only do that provided that the Canadian citizen found out that voting was no good. In other words, we did not make that condition--that condition was made by the political-economic operations of Canada. Technocracy merely analyzed and pointed it out.

Well, you have enough people here tonight to organize the State of Ohio. Some of you may feel you are working longer hours. Well, those of you who tried seeing how much you can make by working overtime are getting kind of played out, aren't you? Your wife asks you, what's the matter? No pep. Wife gives vitamins, but that doesn't work. Might work all right on children and on 18- and 21-year-olds, but over 35, no. Time to slow down. You are only fooling yourselves. If you could only save $2,000 in the last couple of years, it isn't any security--that would only last for a few months. $250,000--that is worth committing murder for, but a couple of thousands? And you work your head off. What are you going to do with it?

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Now, about Jack & Heintz. Building houses out there, miles from nowhere, no transportation out there; property is going to increase. Well, if these were normal times, we might have been able to get material to build real houses, but I doubt if they are something more than pretty. That is a war construction job and the lumber wasn't seasoned. But we have to build it this way so that the greatest amount of suckers will buy the greatest amount of equipment. We are producing equipment that is tops in the world. Producing equipment--what for? Are we going to produce for more profit--private enterprise to run it? Because if you produce it on the basis of the internal consumption of the last 15 years--accelerated even in normal times, we will have 34 million unemployed. The WPA will be bigger than those working, and when the WPA gets that big, you will join it. You can't stand that condition very long. We will run into a cataclysmic revolutionary chaos.

Nobody proposes to do anything except Technocracy. All that is proposed is social old age payments-- unemployment payments. You have to have planned design of abundance, not schemes to entice the sucker for more profit. It is like the game the traveling salesman tries on the girl, you know, tries all forms of persuasion and she didn't say yes. I am trying to draw a little picture so that all of you will go to work on this in this organization. I suppose many of you went in for victory gardens. If you did, you ought to have your head examined. What did you get? A few bushels of vegetables, but it didn't solve the agrobiology of this country. All it did was to inflate a cheap ego: "Oh, look what I did." You put in carrots or something else, and then, well, we will have enough to carry us over, and it doesn't make any difference about the other fellow.

We could have produced any amount of agricultural production if we had used an engineering design. Oh, no, mustn't do that! Instead, we persuaded the individual sucker to make a noble example of himself as the utmost in futility. How many victory gardens do you think there are in the United States or the total production? Very little in total production, but, no, that was the thing to do--and they hang people for murder; they ought to reward you for it. We drive the kids to go out and make a showing, and the kids get into the little piggybanks and steal some money and bribe other kids to do it. Fine example! We are kidding ourselves. A slew of ash cans, only somebody put on chiffon--we don't want to look at them. That is the kind of nonsense we have grown up to.

With some 11 million in our armed forces, remember that the highest casualty is malaria, next highest is psychosis, and what do you think hits the psychosis the hardest? The best trained, highest standard in the Armed Forces--the United States Marines. They came out of Guadalcanal, and they are going to come back, too, and the malaria boys are coming back, and others can get malaria; and, of course, the psychosis--we won't be able to tell them apart. What is the main cause of the psychosis? Not shell shock. The cause is in this country, of course, in these United States. We have more commercialized escapism to which the citizens with sufficient cash can go to and not to participate, but to sit as on-lookers, and in which the realism of the life around him disappears; and when he can see something so interesting, the realism fades out of sight, becomes all interested in this commercialized escapism. There is the baseball fan, the race track fan, and so on, other kinds of fans. When he finds himself 6,000 miles from here on some frozen tundra or down in the jungle, in the dark Indian jungle or Burmese jungle, it is dark and he cannot see to read. He tries to talk about the Brooklyn Dodgers and that only goes so far. Each fan, in turn, tries to talk, and there isn't one who has any cohesive intelligent idea regarding his country or his life that is common to all of them, with the result that the officers can't talk to the men and the men can't talk to each other, so they come back talking to themselves.

All right, who is to blame? It is the existence that we go through today. Go out in your better homes today. They can't hold a serious talk or discussion on events for more than a minute-and-a-half. Why not? Because somebody might know something about it. Can you walk in a barroom of the better type, the modern cafe, and talk? The radio is on full blast, enough to knock your ears off. You ask why it is that way. Why, because the customers wouldn't like it turned off. The customers wouldn't be able to talk. The point is, if the radio wasn't turned on, somebody might hear them say something. That is the state that we are in.

We are totally unprepared for what is coming. Not that individuals haven't courage. There is no national cohesiveness. Here is Technocracy. There isn't another organization with a proposal regarding the war or anything else. The American Legion--what does it have? The United States Chamber of Commerce? Name any organization who has had anything in the last ten years, but ours is viewed as too revolutionary; and yet, somehow or other, this organization is growing without political prestige. There isn't any economic prestige that you can acquire, and the damned thing keeps growing. Well, if you are not prepared for what this organization really is ....

Make no bones about it--you are in a deadly and military warfare, because they will cut your throat, metaphorically, and actually if conditions get tough. You have to realize that. You have wondered at times that I have been unnecessarily tough. I have had to be. As your Director-in-chief, I have had to always present an uncompromising attitude, and here we are only a little ways away. We are asking you to get off the dime and make the Sections the center of social activities. It doesn't make any difference what church you belong to, or what lodge, develop in your own community and get over the personal idea that, well, you don't want to associate with him or her. There is a job to be done. After we are done, we will find out whether we like it or not, and our likes or dislikes will not be worth a damn. If you have a question on your minds, don't be timid about it. You are not a public audience, and I am not going to throw any chairs at you.

"UNDER COVER" is only an expose of minor names. When we start, we will name names.

HAVE YOU ANY IDEA OF THE AMOUNT OF RESOURCES WE PUT INTO THIS WAR?

Well, it is not a great percentage of our resources. The interesting thing, the rate of discovery of petroleum is going down, that is, in the United States, not on the continent.

ASSUMING THAT TECHNOLOGY COMES INTO ITS OWN, WILL WE HAVE WARS AND CONDITIONS AS PREVAIL UNDER THE PRICE SYSTEM?

There won't if you have a technological consolidation of this continent. From a realistic proposition, there isn't a power on the globe could fight you. All this nonsense that we are going to persuade Europe to be nice--it never worked. In the last 3,500 years, there has been less than 64 years of peace. After 3,100 years of warfare, war is a normal condition of human society as we know it in social history, and peace is an entirely abnormal condition. Now, as much as the individual may wish and desire and hope for a peaceful world and so long as you have private enterprise, and so long as the anarchy of competition of nations and party politics with unrestricted birth rate, without energy to maintain the birth rates, you are going to have war--no matter what kind of world court or international world organization or world nonsense or the four freedoms. What we should have is a fifth freedom--freedom from the bastards of private enterprise.

ISN'T PRIVATE ENTERPRISE SUPPOSED, ACCORDING TO LAW, ONLY TO BE ALLOWED SO MUCH PROFIT, ACCORDING TO GOVERNMENT CONTRACTS?

Profit and private enterprise is part and parcel of the Price System, and if private enterprise didn't make a cent, it would be just as damnable; and, furthermore, if you collectivize ownership of the mechanics of operation, it would be as damnable. Is that clear to all of you? If you changed the name of all Ford cars tonight, it wouldn't change the mechanism of the Ford cars one iota.

Technocracy's background springs from one Willard Gibbs of Yale University, the greatest single thinking mind, the father of organic chemistry and thermodynamics and energy transfer relationships.

# # #

HOWARD SCOTT
DETROIT, MICHIGAN
November 21, 1943

Dedicating the Opening of the New Section

United States and Canada are technically at war, but the people are at peace--profiting out of the war effort. For years, Technocracy has contended that you could not run the technological equipment of this continent--principally U. S. and Canada--wide open for two years. [Later in the question period, the Chief said Warner & Swasey, no doubt, would close down shortly.] We have not run full load, wide open for two years, and now productivity has caught up with the war, and the war is not big enough. We have had the greatest business boom in history. Approximately 60% of the people are in on the boom -- 40% are not, the fixed income group, such as civil service, state, city employees, etc. The war is not big enough and business does not know what to do about it and cannot continue the boom. One way to continue would be to persuade the Germans and Japs to buy their material from us.

In 1940, we shipped Japan 22,734,000 barrels of petroleum. Technocracy, from 1934 on, protested every year and gave figures every year of shipments of petroleum, steel scrap, etc., to Italy, Germany, and Japan. It was good business from 1934 on -- good business.

Using the same phrase now, in 1934, Technocracy said, "Mrs. America, do not squawk when your son is killed with a Pennsylvania coal car, a Ford rear end, or a 6th Avenue El." Technocracy had no assistance from any other organized group or body. General Motors did not protest and continued to ship trucks to Franco in Spain. Chrysler did the same, as well as Standard Oil Company. The Standard Oil Company of California shipped one of the greatest shipments of oil to Japan and built large tank barns in Japan. When our forces in the Southwest Pacific capture an island today and find any supplies of Japan that have not been destroyed, they discover original octane in the original containers of Standard Oil Company.

In 1939-1940, 300 portable modern well drilling outfits were ordered and shipped to Japan by the American Oil Well Machinery Co. Oil wells in North Borneo are shallow and can be used directly in the tropics.

In the U. S., a large engineering company had a contract with the industrial groups of Japan to supervise and consult on all industrial installations in Japan, Manchuria, Korea, and Japan's possessions for the next 20 years. This is known to the U. S. G-2 and was discovered quite some time ago. In other words, we shipped American equipment around the world prior to this war, but during the war and from 1937 on, we reequipped Great Britain with the modern machines, underground modern storage plants, etc., so that Great Britain today has modern equipment with producing capacity several times greater than 1938.

We love to see new machinery go in, but the press, pulpit, radio, and screen have continuously over the last decade misinformed the people as to the actual facts and conditions. They have done their best to create confusion in the minds of all the people of North America. The press of U. S. and Canada are the most reliable sources of misinformation.

The Russian-Finnish War--99% of the dispatches came from Helsinki to the effect that the Finns had captured great numbers of Russians (greater even than the population of Finland itself). The dispatches related how the Russians had neither shoes, clothes, or military equipment. The Mannerheim fortifications were built after the Maginot Line and by the same engineers. The Mannerheim Line was blown to pieces at 52° below zero by the Russians; therefore, the Russians must have had plenty of equipment. The press had shown photographs to CHQ which had been sent out from Helsinki, showing the capture and destruction of Russian equipment, tanks, etc. CHQ asked the question, "Since when has Russia been manufacturing French and British tanks?" When Russia marched into Poland, American military attaches were with the German Army in 1939; American war correspondents were with the German Army; American cameramen were with the German Army. Russia

had dug up all its old machinery from war museums, dug up old uniforms enough to outfit men to meet the German Army. Russia wanted to show us exactly what we wanted to believe. Russia fooled the German G-2, British G-2, and the U. S. G-2 -- three national departments of intelligence. The press is doing the same thing now. Remember when the Germans were thrown back at Moscow, Lenigrad, and Stalingrad? What did you get? You got two-timing eulogies about the splendid people who turned back the German Army at Moscow, Leningrad, and Stalingrad. Spirit or courage does not turn back thousands of tanks, guns, etc. It was done with equipment better organized and better than the German Army. It was Russian artillery that stopped them at Moscow, Leningrad, and Stalingrad. That equipment was great enough to stop the best war machine in the world outside of the Russian Army; therefore, the Russian equipment must have been better.

The largest producing blast furnace in the world is in Russia--capacity 1,875 tons. They have constructed four such furnaces in 126 days.

8,375,000 square miles has made Russia, together with sufficient sense to realize that their area technology has already formed the course regardless of Marxian or Engel theories, the greatest potential technate in the world, etc.

Our political administration has enough sense to admit that our action in U. S. and Canada is taking us noplace, and they are scared to death of our technology. We have more trained people in the U. S. and Canada, more machinery, and a greater capacity by many, many times, but we are disorganized. Business is worried because of cancellation of contracts, and productivity has caught up with the war and business cannot stop it. In 1939, U. S. had between 7 million and 8 million unemployed. Since that time, we have built some $26 billion in brand new plants. Canada, on the other hand, with a smaller population, has had a greater proportion relative expansion of industrial equipment than the U. S. Canada has become an industrial nation with productive capacity in many hundreds of lines far beyond the normal consumption of Canada. Canada is the greatest aluminum producer in the world. The U. S. has plants they do not know what to do with. In fact, we have one or two plants that you cannot build anywhere else in the entire world. For instance, electric light bulbs on the new Corning process are produced at the rate of 1,100 per minute. How many plants do you suppose the world will require? You could not have two such plants on this continent. You could have only one more in the rest of the world.

Pennsylvania is making milk cans, but it can only run 3-1/2 months to meet the consumption in the U. S. If it runs an additional six weeks, it can supply the world. This is irony with a vengeance. This is just the beginning.

CHQ has pieces of continuous mold casting, made of real alloy metal, which opens the way in making airplane engines and automotive engines without any other machinery except a slight bit of honing. Six licenses have already been issued on this process. It is also applicable to glass. We can make gun barrels by forging them. The Salt Lake Arsenal is closing down. This arsenal made more small army ammunition than the whole U. S. produced in the last war. St. Louis is firing 10,000 in its arsenal. This is the 8th arsenal to be closed down.

Storehouses are filling up. We do not have enough warehouses in the country.

Here in the U. S. and Canada, if we had had total conscription at the start of the war, there would have been no taxes, no bonds, no black market, and no jams in distribution. The object, of course, of the Price System body in the U. S. and Canada is not a fair and equitable distribution. The object is to install machinery (not metal machinery but legal and organizable machinery) for the maintenance and production of scarcity--artifically enforced scarcity, so that if we do get too much here, we can enforce scarcity which automatically creates black markets. Counterfeiting is a big business today in coupons and ration through it. No design for tomorrow. We are exporting the tools of tomorrow with the ideals and mental concepts of yesterday. We are hearing the same kind of nonsense from radio, press, pulpit, etc. Cordull Hull's talk is typical. Remember that a crook at least has self-interest as his objective, while the sincere damn fool

never had any objective, so that he does not know what self-interest is. Trouble has been caused by sincere damn fools. It is far easier to deal with a crook--he knows where he is going. The honest person hasn't the slightest knowledge.

We voted in the same kind of thing that we voted out. The Republican Party has never had a planned design from before Abe Lincoln--neither has the Democratic Party. They never had any concept as to how to operate the U. S. or Canada.

There is the same rigamarole in the U. S. every four years and every five years in Canada, all because of the lethargy of the average American citizen. We in this organization frighten people with the magnitude and concepts and the scope of our design. The Chief had dinner with one of the executive heads of the Associated Press, who admitted that both the Republican and Democratic Parties have no design--only Technocracy has the design, and United Press knows it.

Here we are in 1943--the area technology of Russia, expressed through the Red Army, is moving westward. It does not have to move very much farther now. How far the Russians will go depends upon the contract we agree to. The U. S. and Great Britain have to go to Moscow--Cordell Hull and Eden. Well, the Russians told them to get off the pot or else. We admit that we named the date for the opening of an offensive. If it is next June and the Russians start rolling, they will have reached the Danube on the Black Sea. Then it will be up to the western democracies to deliver on that contract. The Russians will stop to consolidate their gains and stall until they know whether or not it will be made. Nobody can blame them for it. There were only 55,000 German troops in Sicily and only 5 or 6 divisions in Italy up until a few weeks ago. Russia has been fighting 240 divisions for 2-1/2 years. An amazing difference.

In a newspaper interview, Scott was asked what was Technocracy's position on the second front. If the U. S. is not interested in national honor, the question of a second front is irrelevant. We promised a second front twice. It is not whether Russia is entitled to it or anything else. It is whether or not our promises are worth a damn. If Russia goes through to the Bug River in Poland and the war in Europe quits within a few months after that, let us see what it would mean. A new Czechoslovakia will not become part of Russia; neither will other states bordering on Russia. Russia would have to be responsible for them. The new treaty which Benes has signed is that there will be nationalization of transportation in Czechoslovakia, nationalization of education, nationalization of production--all operated on the same standards as the U.,S.S.R. Czechoslovakia would become a republic. There would be no free enterprise in Czechoslovakia; there would be no free enterprise east of the Rhine. Where is this world of free enterprise that we are going to have? Spain, France, and Italy do not mean very much--they are deficit nations. With the exception of France, the area east of the Rhine would enter the Russian orbit--so would Turkey. It would not necessarily mean that they will become communistic--just in between. They could deal with the nations beyond and with Russia. Russia would not be responsible for them. There would be no free enterprise. This would leave the U. S. and Canada and two little islands off the Coast of Europe with free enterprise.

Remember that 42% of foreign investments in U. S. are in Canada. Germany is second with foreign investments in the U. S. If free Germany goes the other way, we will have Canada and two small islands. South America has a surplus of the same things of which we have a surplus. A promising future, because promise though it is, despite our imbecility, the damn thing is coming to an end.

A year ago, according to the U. S. Division of Ordnance and Supply, it took 4,400 employees to produce 1 million shells. Today the same 1 million shells are produced with 1,800 men in 42% of the time.

The total killed in two years of war is less than one year's death total by automobile alone--four years' death total on highways in modern times is greater than all the wars fought by the U. S. in its entire history. The total accident death rate of all kinds is greater than the total death rate of U. S. and Great Britain by military action, so that war is relatively safe. An amazing condition for a nation that has more saloons than schools and spends a billion dollars more a year for alcohol than education -- a nice Christian nation.

Saps are working overtime 72 to 85 hours a week--even those 45 years of age. They are trying to work their way to financial success. To think you could ever get there by working! Nobody but a damn fool ever tried it. You never heard of a coal miner acquiring social prestige. No citizen on this continent--red, white, or black--can work his way to individual security. There is no individual security. You can accumulate a little money but what good will it do?

Business in U. S. and demand deposits of banks are $30,700,000,000--70% of total demand deposits are business. They have increased $19 billion in the last year and will be over $70 billion by the end of the fiscal year (next year) in all deposits in cash. We've got money -- everybody has money.

Every barroom is jammed; every nightclub is jammed. They've built special rooms in defense plants to play dice and provided heaters to keep the players warm. Amusing. Then you wonder why the second highest casualty of the army is psychoneurosis. The first is malaria, the second psychoneurosis--coming back talking to themselves. Is it only shock? No. Where did it come from? Right out of back home. America has more escapisms than all the rest of the world -- dog races, cafes, baseball, movies, etc. The soldiers have nothing in common to talk about. Non-commissioned officers cannot talk to officers and vice versa. Marines came back from Guadacanal goofy.

Russia has a very low percentage of psychos. Is it because the Russians are more intelligent? No. Russian officers, commissioned or noncommissioned, talk with their men, discuss tactics of the next maneuver, etc. The Russian knows what he is fighting for--he is fighting fascism. Americans do not know what they are fighting for.

Communism is bourgeois. You can still deal with the Communist Party, but you cannot deal with Technocracy, because there is nothing which the Price System has on this continent which Technocracy wants. There is not an element of any political party that Technocracy would accept or tolerate. It is more revolutionary than anything else.

The way the war is going, there is going to be serious trouble. Russia will present a fait accompli soon and almost simultaneously technology will present a fait accompli on this continent. Don't get the idea that with the crack-up you will be all right if you say you know Howard Scott -- you will be worse off. We, all of us, have a capacity to action. Cut out the diversion which absorbs time in non-essential activity. Technocracy is not inevitable on this continent. The last four years has been an epoch of planned confusion to recognized chaos. Your money in the bank will be no good, insurance policies, stocks, bonds, etc. will be no good. They will be burned up in the first couple of hours. It is with that realization that you will have to quit this apathetic attitude. Three generations of nice people have been the curse of America. That is nothing to be proud of.

HOWARD SCOTT LECTURE
CARTER HOTEL, CLEVELAND, OHIO
FEBRUARY 4, 1945

Of course, the only trouble with all of you is that 99 percent of your blood is in your stomach, and it may detract from your functioning.

Yes, twelve years ago was the first occasion in Cleveland that I spoke, and we have more here this evening than at the combined Cleveland City Club and Cleveland Engineers Club. Rather interesting to observe for a decade for an organization that is supposed to be dead. Remember that you are not here in the flesh; you are only here in spirit.

Twelve years ago, in July, 1932, this organization presented an analysis before the Progressive Educational Conference in Pennsylvania. In July, 1932, we stated that the banks of the United States would close on or before the first of April, 1933, due to national frigidity and compelling closure, and that national frigidity would only be unfrozen by the United States Federal Treasury. From then on, the danger to our financial system in this country would not come from frigidity but from the banks drowning in their own liquidity. The Attorney-General of the United States at that time wanted to know if there was any reason why we should not be indicted for making statements endangering the safety of public institutions. We stated that we would be delighted to be indicted, and that as, when, and if we were indicted, it would give us great pleasure to open up the Hybernia Bank of New Orleans. I will refrain from mentioning those institutions here in Cleveland and Detroit. Of course, you don't remember them, do you? Peculiar thing about it was that nobody wanted to indict.

We have gone a long way since then. Technocracy in 1932 was a research organization, but today we are spread over this continent from coast-to-coast and from the Republic of Colombia to the Arctic Circle, from Hawaii to Newfoundland and Labrador. There are members of this organization north of the 65th parallel in Canada -- all voluntary. The farthest south on the map of the Technate is in Mendellin, Republic of Colombia. The farthest north is in Norman Wells and Fairbanks.

There must be something about this peculiar Technocracy that, without any angels or without any endowments or public subsidies, it has been able to go distances as great as it has in the time it has. Look back on the history of any other organization and you will find it either has undercover friends and undercover funds, or both. We have neither. We have never compromised and we never will. Some of you might have gotten a little timid at times because your Director-in-Chief was too tough for your friends. You remember what the next door neighbor said, "Well, Technocracy may be all right if it wasn't for that S-of-a-B Howard Scott."

Many of you were worried before the war that a war would delay social change. Time and time again we sent out figures, data, and analyses showing that social change would accelerate, and the greater the area covered by the war, the more social change. Well, you won't have to wait very long. Here in the United States we have been very comfortable. As a government, officially we are at war; as a people, a nation, we really aren't at war. We have our snout and all four feet in the greatest gravy train of prosperity the world has ever known. It has been wonderful. We have had more money and more consumer goods in spite of terrific production for war.

Look back to 1932 and 1933, when there were only $4 billion in deposits in our banks and only slightly over $7 billion currency in circulation; but today, the first of January of this year, there were $127 billion on deposit and $25 billion currency in circulation. Four billions are in large bills which do not run back and forth in the banks. Wonderful achievement, isn't it? Of course, what Technocracy should advocate is to make snouts wider and the trough deeper, so that we can indulge in our biologic inheritance.

Don't forget that Technocrats have fallen by the wayside just as every other American. Actually, a lot of Technocrats -- and other Americans -- thought they were going to get rich, they could retire and obtain security with one year's more work with overtime, indulge in a little more chiseling, and they could buy an estate in paradise. Well, but then, of course, they failed to realize that this system was never designed for suckers; basic principles are set up for the chiselers. The OPA was set up with the principal purpose not of controlling a level price -- because when prices are level no one makes money, but it was created so as to control an ever-upward spiral. If you have money, all you had to do was buy in; and no matter how high the prices went, you made money.

Overtime has been cut out. It will descend and take more and more away from you -- a very simple process of extraction. So, the citizen thought he was going to cash in by working, proving once again our statement that "Nobody but a damn fool ever tries to get rich under this system by working."

I wonder if you realize just how far the world has moved. Technological productivity of five years ago was one thing; today, it has stepped out into the blue. We have an internal situation and an external situation due to the war around the world. Internally, this was was a godsend. It saved the banks, the Democratic Administration, Wall Street, and everybody else, but it also brings a peculiar situation. As Technocracy pointed out to you, the United States could not operate at a continuous full load longer than two years without running into an impasse. We have never achieved that. Even under the pressure of war, 56 percent of the total production of the United States has been going to war production -- a very nice item. Our consumer goods have not been drastically reduced except in a few items, and they have increased in many items. Never in the history of any country of the world have so many mink coats been sold, so many diamonds, jewelry, and I won't go into a lot of personal items. Last year, there were $1,320,000,000 paid into parimutuel machines. In race tracks, we topped the world. Every country is trying to imitate the United States, and all have made lousy failures of it.

Well, how many of you working in business organizations, plants, civil service, and government jobs -- or for yourself -- are worrying what the next one hundred days are going to do to your war contracts, your business or profession, or even if you have a trade? Well, we won't be hard on you. Technocracy, you know, has never operated on the theory of European organizations. We knew, only too well, the day would come that a more powerful and efficient weapon would be playing for Technocracy than any educational process that man has ever made. Modern technology is catching up to everybody. Only a few years ago people believed you would always have to have migratory workers. We did up until this year. From now on out, goodbye the migratory worker; he is out of the sugarbeet world.

Henry Wallace has a gross business of $2.5 million on his hybrid corn. Hybrid corn will not reproduce; neither will a cross between Sea Island and Egyptian cotton. With special germination, redesign of the agricultural biotype, particular elevation, growing conditions, and climate, it can be done. Both Sea Island and Egyptian cotton will reproduce and corn will do the same. Those of you who are worrying about Henry Agard Wallace and his hybrids, don't worry. He will join Jesse "James" Jones.

Remember the glassblowers? Those of you with a little grey in your hair will remember. The same with wrought iron workers. You can look back and where are they today? There are no cigarmakers any more; no wrought iron workers; no glassblowers. The oldtime glassblowers, like Leon Henderson's father in New Jersey, worked on piecework twelve hours a day with two assistants. They could blow 800 glasses a day with forced labor. The modern Corning machine hasn't any glassblowers, but the only thing is with that terrific production, you couldn't build very many in the world. You would require only four of them. Yes, a lot of you will say, "That is perfectly correct. I know that, but now in my field, nothing is going to touch that due to the peculiar conditions in my field. We have a strong union or a merchants association or a production association." Well, just tell us about it and we will tell you how long you will live and we will bet you lose.

We in the United States have been witnessing in the past sixty years a conspiracy of minorities against the majority. Everybody from hell to breakfast that could chisel proceeded to do so to the immediate advantage of their particular bloc and to the long-range disadvantage of the entire citizenry of the United States. You know it -- whether it was a language bloc or economic, the effect was the same. Take the coal industry. You are a little worried about it right now. Don't blame Lewis and don't call names. He is no better or worse than the workers or the coal corporations or the labor corporations; so long as you have the one, you will have the other. Corporate enterprise, whether labor or capital, there is no difference. Just like our armed forces. Our armed forces are a reflection of the condition of our national citizenry. Don't expect the armed forces to be better or worse than the average conditions of the nation.

There are over 300 bituminous mines in the United States, and we are shipping a considerable amount of the bituminous coal to Europe -- Italy chiefly. Great Britain cannot supply the coal. You here are a little bit short on coal, aren't you? You are not going to open Monday, are you? You have a campaign on, but do you notice any organization in the United States that has a long-range proposal to abolish 6 percent of the coal mines and 66 percent of the coal miners? No, the miners wanted to hang onto the coal mining, the railroads to haul it, and the coal corporations to sell it. Everybody was in on their skin game. Yes, you can mine coal at 5,000 tons per day without coal miners and without explosives, and the first place that it is put in, God help the rest of them. Unfortunately, it is going to take pressure to do it.

The same in steel. You still have around here the old-fashioned junk -- blast furnaces and open hearths -- and you are still piddling with the batch basis making steel, and you pride yourselves that if it comes out all right, it is pretty good steel. Remember the battle to get into the continuous strip mill? Did the United States Steel Corporation use it? United States Steel has never made a single contribution to the technology of ferrometallurgy in its entire history. Neither has General Motors. They are admirable business corporative enterprises in merchandising steel or automobiles. Let's face the facts. There is a new process in steel coming up. The first consists in processing under a controlled atmosphere. You won't need any blast furnaces or soaking pits. You won't bother with a refractory. Well, why not? Is there any sense in a human being mining coal underground? We are still clinging to the same old stupid conditions and mental concepts that existed in 1646. We are still talking about the glorification of honest work and the sweat of your brow. If you are honest and work, you will be rewarded with pie in the sky, won't you?

I know it is going to hurt, and I intend to hurt. I am not a nice person when I am up here working. This is my job, my tools, and you are my material. But I won't carve you to pieces. This new process in steel production, of course, will make the tensile strength greater, and it is way beyond anything made at the present time.

Your speaker, in 1921, was consulting engineer to one of the largest corporations, analyzing the hematite resources on the Mesabi Range, and the conclusion in that report was that the hematite would decline and the silica content would increase as a function of depth; and the concentration of silica, if mining continued, would arrive at such a point of economic depression, the Mesabi would no longer be the primary hematite source of the United States by 1950. The University of Wisconsin's report last year alters my report somewhat and says 1947. Kindly realize, ladies and gentlemen, that this is the last major, the last war, that the United States will fight with the hematite of the Mesabi Range.

We are face-to-face with a similar situation in zinc, copper, and lead. Don't blame any individual. Don't hang it on Morgan, Ford, Rockefeller, or Mellon. They are not to blame. They are only part of the entire picture of the United States. Every single American can take his share of the stupidity. Well, you all wanted to make money, all wanted to get rich quick. We got there, and now look at us.

There is a gigantic ore deposit on the Labrador that happens to be a very complex magnetite deposit, and, thank heavens, it is not directly smeltable in blast furnaces. Isn't that lovely?

It is a beautiful, natural alloy of nickel, cadmium, and iron. You are going to come to a new process in steelmaking. Now, we don't want to hit anybody. We are just going to slip it into you with a blackjack.

I hope that all of you read the National Association of Manufacturers' report on postwar employment. If you haven't, you should get a copy of that interesting document, along with the American Federation of Labor's like report. The AFL goes all out for what you would normally expect of the NAM. Here the AFL goes ultra-ultra in defense of this cockeyed system, and the National Association of Manufacturers candidly admits it is the last time down. The NAM states that private enterprise in this land of the free and the home of the brave cannot assume responsibility for more than a maximum of 22 million jobs and then only if the Government of the United States sees to it that their businesses prosper. Thirty-eight million jobs will have to be supplied outside the realm of private free enterprise -- armed forces, government employees, and the municipal workers. Nine million in public works. That means 3 million more in highways, 2 million in housing. Now the Bureau of Reclamation issued its report last week on its postwar budget of $3.6 billion, but it also attached to that its analysis of the expenditure of the $3 billion provided in the total number of jobs with that amount of money; but, sad to relate, the Bureau only estimates that there will be 400,000. When we take the NAM figures of 9 million in public works, that means the Bureau would have to budget for the year immediately following the war and for each year thereafter $70 billion for the Bureau of Reclamation.

No doubt some of you voted in the last election. I don't know what the hell for. You must still feel the old hangover that you can't quite get rid of. You cast your ballot and you felt that you helped to decide the fate of your nation. It is pretty hard to get over these hangovers. It takes you 40 years to find your parents were liars, and then you are too old to start over again. All we can say is, brother, you will have to be born again.

Now we are face-to-face with an amazing situation. Henry Agard Wallace wants to save capitalism and free enterprise and provide 60 million jobs. Jesse James Jones wants to save capitalism and private enterprise and provide not quite 60 million jobs. It should not be over 50 million jobs. Both want, of course, to spend public funds. Only Jesse Jones is a little more discreet than Henry would be, but both would save you from something. You all run into that. Like the woman that sometime in your life wanted to save you. You got saved and look what a hell of a mess you got into. No intelligent woman wanted to be saved in her life; she might have kidded the male into it. But here we have prominent men of that type -- same naivete. They think the world is the same as it was 30 years ago, that you can save something, that you can provide 60 million jobs. We do not mean WPA, but a decent job, an annual income, millions in purchasing power; but with the output of American technology, you cannot do it under this system -- free enterprise or non-free enterprise or any other kind.

Stop and realize that. You are going to have everything and more of the same. What a pity! It is pathetic. Suppose you operate wide open with government spending. The more you pump into it, the faster it will catch up to you. All of this, of course, is the propaganda of your associations, political parties, etc. to create confusion in the minds of our citizens. You are going to have 60 million jobs; everything is going to go the way it is now. Nothing is going to be changed. Everybody is going to be nice and comfortable. If you belong to the deserving, you can have a mink coat, too. But it can't be that way. It is going to be tough.

Of course, others come along and say foreign trade. Increase our foreign trade and that will keep 4 million at jobs. Or will it? We are going to industrialize China. Henry Luce, the Department of Commerce, and the United States Chamber of Commerce, and every business promoter, has access to this publicity of the press. I wonder if you realize the conditions of the rest of the world?

In Japan, there are 6 million farms, and the average size of a farm of the 6 million are 4 million of 2.3 acres; there are 2 million farms in Japan of 1/4 acre in size. In China, there are more farms than there are in Japan, but the average size is less than in Japan.

China has been in difficulty for centuries. Not having the chemical industry, converting energy for fertilizer was a difficult proposition. The Chinese who could erect a Chick Sale Emporium on the road -- and those who could provide shade for the temporary residents of those Chick Sale Emporiums -- got the biggest roadside trade. Oh, yes, they go around with their buckets and have been doing it for centuries, and now we come along and we are going to civilize the Chinese. We are going to make them into consumers, aren't we? See to it that they have bathtubs, water, and all those things. Actually, the Chinese are going to hate us, because what we are going to do is provide fur-lined "terlits" and take their agricultural fertilizer away from them. That is a laugh. Where do you think they are going to get many of the things we are going to provide for them?

China only consumed 0.2% horsepower per capita per day before this war. We here last year were consuming 18 horsepower per day per capita. That is a long way from 0.2%. The Chinese had a mobility before the war of 4 miles per capita per year, while the United States, before the black market and those counterfeit coupons, had a mobility of 4,000 miles per capita per year. And we are going to sell the Chinese radios, refrigerators, and intimate conveniences. You would have to rebuild an area larger than the United States in order to do it.

Australia used to be the greatest exporter of raw materials in the world -- wool, mutton, beef, and wheat. Today Australia is a manufacturing economy, manufacturing a surplus over and above what Australia consumes. Australia builds cruisers of 20,000 tons, naval guns, planes, fighters and bombers, her own engines, optical goods, produces lenses and range finders, many ammunitions of all types, and excellent machine tools. She has developed her industries to where she exports to Great Britain. Are we going to put shoes on the Australians? They have a manufacturing surplus.

Well, South Africa is doing the same thing, and so is India. India, of course, is the second greatest cotton producer, jute producer, and shellac producer. India produced and shipped abroad 2 billion burlap bags, is the world's greatest producer of tarpaulins, tents, and army blankets, believe it or not. India is producing equipment. Steel production is going up.

Canada's production has jumped right into the blue. Canada had only 480,000 industrially employed 6 or 7 years ago. Our total production and our personnel increased only 18%. Very interesting, isn't it? Facts, you know, are stubborn things, and Technocracy doesn't make these facts. They are made by the march of events and physical conditions on this continent. All Technocracy does is to analyze them and present them to you unvarnished and uncovered, without political hooey. You may not like them but there they are. Canada moved into a position where the Canadian Government has to find jobs for over 2.6 million Canadians when the war ends. On the basis of population, if we have a similar situation, we will have 34 million citizens in the United States unemployed. We can no longer go back to WPA. You can't ask the majority of the employable adults to go on WPA. Then you will have to hurry up and see to it that they get automobiles, radios, refrigerators, mink coats, and champagne, and if you did, the other 22 million won't work. Isn't it marvelous? But we would be driven to this.

Remember when this organization came out with high frequency cooking? Of course, it wouldn't be served by the old-fashioned system. It would not be served by human toil. With high frequency cooking methods, it would eliminate all the cooks, chefs, and bus boys. All you do is dial the number on the menu and your food would come out to you. No sense in persons, year after year, doing the same things over and over again. Why engage human beings in repetitious jobs like that? Like mining coal, for instance, or digging up sugar beets. I don't mean to hurt your feelings, but things are headed in those directions.

Maybe you think that you still have some little private edge on the 196 million people on this continent, that you have a little superior ability, that you have managed pretty well to keep ahead of the cowcatcher, that you have an insurance policy, and that if worse comes to worse, you will be buried and that all the problems are solved for you; but how about the rest of the 196 million that still have to go on living?

Is there any labor organization or is there any financial or corporative organization or religious organization in the United States that has any solution in accordance with our technology of our time? If there is, let's bring it out. If you can beat Technocracy, we will agree to it. We don't like it any better than anybody else. In case some of you think you are going to get some kind of particular plum out of this, disabuse your minds of it. I won't like it either. I have told you the job I want and I still mean it. You may think you can vote somebody in in the old-fashioned way -- a liberal Democrat this time or rehabilitate the Republicans the next.

Ever stop to think that the basis of our political system is a function of accounting and taxes dependent on possessed values? Now, as you increase the output and decrease the man-hours and employment so that the production moves up fast but the taxable area declines, producing more and more with less space and less human beings, the blighted areas increase; so, you cannot look forward to county income tax, because it is declining rapidly, very rapidly. Now, when Technocracy came out with this, Wall Street blamed us for it. Some people in Wall Street, we are told, are Democrats and would capitalize on the obsolescence in order to achieve political domination. We said the time would come when you would have to evacuate the banks on the Hudson as they would no longer be tenable and move onto the federal bank on the Potomac, a Kerensky on the Potomac, I believe we called it. Of course, Kerensky had one thing in his favor -- he had someplace else to migrate, but here it is a long, cold swim to the next continent. Kerensky is here living in retirement.

Well, if you think you are going to cure a county income with a state tax income, you won't be able to; for instance, in a powerhouse of 30 years ago, there were 50,000 KW generators. They are now out and in their stead have been put 165,000 KW units in less space than the 50,000 KW units occupied, and you have considerable space left over. Do you jump the tax rate on that three and a fraction times? No, the building is thirty years old. See how it works?

Another thing that is bothering the banks and financial corporations is what Technocracy knows as the capital payoff time. For thousands of years, while we produced our physical wealth with human toil and hand tools, it took a long time for amortization of any capital obligation. It could not be paid off in less than a hundred years. So our bonds were good for a long time at that slow rate of increment. What has happened? The capital payoff, where it once took a hundred years, is now faster. The Corrigan Plant right over here -- you all know it if you live in Cleveland -- if it operated at 75% of capacity, it would pay off in 36 months.

Well, let's go back a moment. Where you had a million invested on the old basis, you only reinvested it once in a century, but now that has been pulled down to where you have to invest it 33-1/3 times in a century. Look at the Greenley equipment that is slapping out Pratt and Whitney engines every 40 seconds, and the cost was $1 million, and, gentlemen, believe it or not, it pays off in 10-1/2 weeks or 500 times a century! So, these people who have all that beautiful liquid cash are in a predicament. If they invest their money, they have it back in a short time, and it is the last time down.

The only way that you can keep this system alive is to declare war on an area on this globe whose armies will not die in battle and will not surrender or capitulate -- the 60 million square miles of the Pacific Ocean, and you can have full employment, full exploitation of our resources and it won't be long. Do you think you could have it for five years? So you want prosperity? Well, you better start rooting.

All very well, you will say. Great corporations won't take these advances. Well, ladies and gentlemen, there are other places where they would like to mine 5,000 tons of coal per man per day without a coal miner. Maybe there are others who would like to do that. How long is it going to take we Americans to realize that? We have had a lot of political refugees, but they never carried away any ideology. We had a confederate war, and after the war between the states, confederates went to Brazil, but they never carried with them any political ideology. But we have had more technological refugees leave this country than any like area in history. Did they get any recognition here? The Wright brothers did not get recognition. People brought up with them

said, "Isn't it too bad about those nice Wright brothers monkeying with that contraption when they should be working hard and having a home?" Did they get recognition? Did Howland? No, Howland had to go to Roumania and Russia, the Wright brothers to France and Britain.

When the American Army, in the Spanish-American War, using single shot Springfield rifles, started up the San Juan Hill, the Spanish Army were using a 7-mm. slip magazine machine gun. Technocracy has a long list of Americans who died in poverty or achieved some reputation only if they went abroad, but if they lived here, they got practically nothing but starvation. If they went abroad, they might have gotten some recognition. We have the greatest record of technological refugees that left these shores, and recognition came not from their own country but from abroad. Billy Mitchell. Homer Lea. Homer Lea worked out the whole invasion of the Hawaiian Islands in 1911. That was the man that Dr. David Jordan of Leland Stanford said was a "dirty little hunchback." The Japanese printed 90,000 copies of his book. The "dirty little hunchback" lived to become Marshal of the Armies of China. He was invited by the King of England to review British troops and to review the German Armies, and he didn't graduate from West Point. We have a long record of such men. John Paul Jones -- one of our first Naval Admirals -- do you know what port he founded? Not here, but he founded the naval base of Sevastopol in the Crimea. You can go on, pages and pages of this.

We in our complacency think, well, we individuals will get by and come the next election we can vote for the same old things, but this time within a short period it is going to catch up to us. You can't run a Technocrat for a political office. We don't want it. We want to see our country united not as minorities but only as Americans. We can't operate with the greatest array of technological equipment with political controls but by a technological control that will produce and distribute an abundance for everyone.

We are not pro-Russian. We respect Russia, but we are not sympathetic. A policy for the U.S.S.R. -- a directional for Russia -- is one thing; a policy for North America is another. We don't have to imitate the Soviets or any other place on earth when we have the resources, area, and the technology on this continent, for heaven's sakes. Let's use it!

The tanks that are rolling in Russia and into Germany have 122-mm. guns in their turrets. From this tank we can make an interesting analogy. The tank that we designed before the war started was three meter gauge, one meter tread, 120-mm. gun, rubber lining, diesel powered, completely hydraulic, similar to the Electrolux heating-cooling system. There is a peculiar similarity isn't there? Peculiarly enough, Dave Christie went over to Russia. Dave Christie died of starvation in the United States last year.

I am presenting this for a reason. The advance of technology is up to decisions not amenable to solution by any opinions that anybody possesses in this country. We have no right to decide any matter by opinion that can be determined as a matter of science. This is today, and guesswork won't do it any more. It has to be done scientifically and not by opinion, and two hundred million opinions are not worth a damn, any more than the opinion of one. Opinions do not design anything, and if we try it, it won't run and it would fall down.

Well, the army is coming back trained in more mechanical equipment than any army that has been trained in history. They are not coming back with the idea they want to return to what they left behind. Letters are pouring in from all over the world, from every fighting front, and they don't want to return to anything they left. They were the graduates of the depression and they don't have a great deal to return to, do they? We had better think up what we are going to do when all these men and women come back who don't like what they saw when they left.

QUESTION PERIOD FOLLOWS

There are always people who get personal. Somebody wants to know what my salary was for 1944. Well, it was $162.00 refund from withholding tax, that is, withdrawal pay. I get $24.00 net a week. It went up a little a week ago, and that makes how much for the year? I am getting rich out of it. I think it is $162.00 refund under this year's tax. Never be able to keep a blonde on that! I am looking for one with a long chassis to keep me.

Your engineering magazines on the construction equipment have carried on a campaign for over a year that we should not bring back the diesel tractors, carryalls, etc. that we sent abroad. If we bring them to the United States, the construction equipment industry will be idle for twenty-five years; so, naturally, you can understand the desire that we should leave the equipment in Europe. The European Continent couldn't use it anyway, but then it would be damn good business to provide new equipment. Every American has been primed with extra lush cash into a stinking bourgeois attitude, bribed into a comfortable sense of security, and it is so comfortable, isn't it? But those buried in graves overseas are your sons, your brothers, your fathers, and they never got to that nice bourgeois condition.

WILL THE WAR BONDS BE GOOD?

Well, what is the matter with them? They are the only thing you can invest in. Private enterprise does not create debt fast enough. If you had Total Conscription, we wouldn't have to sell war bonds. We wouldn't have black markets. But that would be too simple, wouldn't it? You would rather roll everything up in red tape and to gyp than to do it on the level. Well, no use worrying about anything like your bonds. Your bonds will be good so long as bonds will be good.

THERE IS A SLEW HERE WANTING TO KNOW HOW LONG THE WAR IS GOING TO LAST.

Manila fell to MacArthur, and no great destruction is reported. Of course, our forces are advancing on the western front, and you read in the papers that they are finding the pillboxes "to let", the vacancies in the gun compartments with the fire data left there. Those that left did not take their material with them. The Russians, of course, moved up, but don't get into a hurry. They have to chew off the left flank first, and then the German right flank will have to be chopped to pieces. You want the exact date so you can hedge. Just as Wall Street asked what Technocracy is going to do in the postwar. Hell, that is in the postwar! It is what are you going to do now? Don't ask me to give you an exact date when the war is going to end. It isn't a question of the capture of Berlin. The Russians will by-pass that. They are headed toward Hamburg, and the Germans will probably hole up in Copenhagen. The big three are supposed to be meeting somewhere.

HERE ARE A NUMBER OF QUESTIONS ON THE CONGRESSIONAL "WORK OR FIGHT" BILL.

Well, they will try to put that over, but they are trying to hold it up to see if the Russians get to Kiel and that will delay it. You have to give the Russians time to put fuel in the tanks. The other day on the western front an officer asked whether reinforcements had arrived, and the commanding officer said they had, but the difficulty was they refused to move until they received borscht and Russian vodka.

The present manpower bill, of course, or national service bill, is aimed at conscription of labor, which Technocracy has been telling labor is the game that has been tried to be put over for years. We published two weeks ago the third full page ad in the WASHINGTON POST as a matter of record, calling the attention of the nation, just reminding them that we introduced the Total Conscription Program on the first of June, 1940, in Canada and the first of July in the United States. We don't like the spitballs blown back at us years later in a muddled form and in a distorted version. Of course, they would love to fine you about $10,000 with ten years in jail, and, brother, could they slip it to you! You are married? Three children? Isn't that ducky? You will just work over there and you will have to sell your home. You can't keep up the payments? Well, but then, you want to be patriotic, don't you? You don't want to be fined $10,000, do you? A lot of men aren't making that much, but then they don't want to go to jail, you see. But it is just a conscription of labor.

I HAVE A NUMBER OF QUESTIONS HERE ON SEWELL AVERY AND MONTGOMERY WARD.

As if it made any difference at all. Sewell Avery is a very prosperous old gentleman and, of course, you have that prototype in the labor world. James Petrillo of the Musicans Union is one, but what difference does it make? It is only a lot of fuss and feathers. Since when are American dollars superior to American lives? In other words, we can conscript American lives but not American dollars, American property, and machines. We have the right to conscript every citizen. Everybody is constitutionally liable to conscription in defense of their country, but our machines, our property, and material, they are much too superior, aren't they? Think it over. And if you have received one of those telegrams from the War Department, you will understand what I am talking about. But you can't get paid for that.

SOMEBODY HERE WANTS TO KNOW IF THE NURSES ARE GOING TO BE CONSCRIPTED.

I hope none of you is so stupid as to think you can get nurses by voluntary means. I am not deprecating the patriotism of anybody, but you can't expect them to go. It is easier to get mink coats. Don't make the mistake of the mind of Mae West. If you do, be sure you have the proper technique. Many of the nurses we have are married, have obligations, and you can't expect those on in years to take up war duties. There is a number in training, but those are not coming out for some time. We always forget those when the war ends. I won't recall some of the stuff of the last war.

The GI Bill of Rights. Clearly understand when you are proposing 12 to 13 million jobs to the armed forces who return -- economic rewards -- the number is too great, unless you put every American on the same basis. I am not deprecating the valor of the man in uniform, but the scalar quantities are too great. You have to handle 130 million people, not just 14 million. The men who served are entitled to something, but so is everybody else entitled to it.

You have enough people in this room this evening to organize the State of Ohio and two or more adjacent states without half trying. I know what you are up to. When Howard Scott comes around, you turn up, and when Howard Scott leaves, you disappear. You know that. Well, Howard Scott has not asked for any hero worship; he has never asked for it. I have no illusions about you or any other human and especially the Homo Sapiens Americanus. What does it take to get you into action -- dynamite? Or do you have to learn it the hard way by being plunged into economic chaos? Or do you think if you get interested in a housing project here housing a few hundred individuals, you are doing a good deed? Good heavens!

You are not going to save this situation by personal charity or by any single nice reform organization that we have in this country. You think you can cure this by little homeopathic doses of liberalism and that nice moral feeling that you have held for years?

I am not deprecating anyone. How much time has every man in this room outside of their jobs to make a living? Check up on it and you see where you spend your leisure time and at what. Do you think that by having a Membership Card and wearing a gray suit that that is as far as you have to go? Don't think that Technocracy is going to convert all the people in the United States. No, we are not going to coerce anybody. This is not Europe; this is America. Your technology is going to bring it home to you. I am asking you what you do with your leisure time? How do you spend it? Far be it from me to ask anybody to overwork themselves even for this organization, but if you have health and vitality and spare time, there is a job here for you. We are all going to be in the same boat regardless of our creed, religion, or color. Well, face it.

Now, Europe has every political alternative. Countries in Europe have everything from monarchies, limited and actual, elective and dictatorial, and fascist and communist setups. The amazing thing is that the United States and Canada on the North American Continent have no alternative. Either you redesign the continent to produce and distribute an abundance to every North American, and if you refuse to change or meet the technological advances, there is nothing but economic chaos. We do not have the political alternatives of Europe. I want you to realize that. And don't take

the attitude that Howard Scott will do it for you. You have to make up your own minds. You have a lot of Americans whose brains are brand new -- they have never been used. You can do it if you want to. Remember, twelve years ago on December 6th, there weren't any Technocrats in Cleveland, but this organization could repeat this same thing in many cities and in many states and countries on this North American Continent. If you have gone this far, if you have that faith, and how far you have gone, realize the distance you have traveled. Look back to the date you hit this organization. True, you may have lost some friends but you found they never amounted to very much anyway. They only wanted to impose on your time and your liquor and food.

We in this organization would rather be recognized by our enemies than be damned by our friends. This is 1945, a year of outstanding crises in our history. We can't go back to 1929 or even 1939. We have to go on. That huge installed horsepower of the United States and Canada can only go in one direction, and if you think you can do it by being comfortable and electing Democrats or Republicans, Technocracy wishes you well; but if you hit fifty stories down, for heaven's sakes, don't come crying to us.

Now, Technocracy is not trying for any political position whatsoever. We are not going to do this or that. We have no assumption of power theory. This is not a case of political parties taking over. This is a case of 150 million people north of the Rio Grande being forced into the leadership of this continent whether they like it or not, and Technocracy is not going to do it but those 150 million. This is a slightly different aspect. We have never asked Technocrats to break up meetings or interfere with anything or interfere with anybody or commit an illegal act or entertain an illegal thought. And yet this audience could be repeated from coast-to-coast and in the far north. In some places, the buildings aren't big enough, and yet we have no angels, no endowments, no funds. Howard Scott has only done the same as you have done. It is up to you whether you want to move in this area or whether you want to fold your hands. CHQ cannot compel you to do a single thing that you don't want to.

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MEMBERSHIP MEETING
WITH HOWARD SCOTT
CLEVELAND, OHIO
FEBRUARY 5, 1945

Imagine the state of confusion we have across this continent today. You know Cleveland, you know Detroit, you know a good many cities, all of you here. Don't you think we Americans could stand a hell of a lot of rehabilitation? I'm not deprecating the situation in Europe one iota, not trying to be unkind or unbearable, but travel through Detroit, Chicago, Cleveland, Buffalo, Toledo, St. Louis -- any city you mention -- take an airplane picture of the city and what do you see? Thousands and thousands of little chimneys all belching forth smoke, all with their own heaters and furnaces and their little ash pile. And if the snow gets deep enough, the aerial photographs will show the garbage out on the snow piles.

We're the greatest country on earth, aren't we? We have a terrific amount of junk coast-to-coast. It's unsanitary, unhealthy, a fire hazard, a crime hazard, and yet our leaders, political, business, clerical, and public, are all refusing to admit that we in United States and on this continent have any problem at all and that the problem is some 6,000 miles away. Now this is done for a purpose, done to increase and spread more confusion here. It's always so lovely to contribute money or to join an organization to put pants on the negroes in Central Africa -- they don't need the pants there, it's kind of warm; but then one always feels so magnanimous about supplying pants to people that don't want pants. The women will understand that.

Many people imagine that New York City, the largest city on this continent and the second largest city in the world, that every home in New York City has a bathtub and a water closet. There are thousands of homes and apartments in New York City proper that have neither a water closet, a bathtub, nor a wash basin. There are thousands more that only have running water to a number; and yet our press and our pulpit and our screen and our radio are continually dumping deluges of saccharine sentimentality about how wonderful it is for us to rehabilitate some other portion of the globe. For heaven's sakes, let's have the cold, hard-boiled reality to face the America we live in! We can stand rehabilitation here, we can build housing and cities, and when we've cleaned up our own home and our own backyard, then we Americans can afford to be generous and magnanimous to the rest of the world. But, for heaven's sakes, don't let us try to put the rest of the world in order when we haven't got the guts to put our own house in order.

Hanson Baldwin in this morning's TIMES is out with a criticism of American equipment in our army. Get a copy of it.

[PARTS OF THE TAPE FROM HERE ON ARE INAUDIBLE, ACCOUNTING FOR THE GAPS IN THE TYPING]

.... and those of you who work in plants that build that equipment .... a Sherman tank firing 24 hits on a Royal Tiger and the Royal Tiger turns around .... See, we've been called screwballs, haven't we? .... but a peculiar thing about that, our chickens are going to come home to roost, but they're all going to be eagles. You don't seem to realize it.

I never thought I would live to see the day when National City Bank of New York's bulletin and the Monthly Bulletin of Clayton Powell, the greatest cotton company on earth -- Clayton is down in the State Department -- both issues are taken up with a special report on the effect of mechanized planting, growing, thinning, weeding -- what is called chopping down there -- and picking; and the International Harvester Company's new plant, a $16 million plant -- at Memphis, Tennessee, is complete and will shortly be running the two-row cotton pickers off the end of the line.

The south faces a problem of having to compete with wood pulp in the cellulose market. Now cotton, at $27 and $29 a bale cost, cannot compete with wood pulp for cellulose; but completely

mechanized cotton sells for $5.00 to $5.24 a bale, and, honeychile, none of those people out there will be needed any mo' to pick cotton, and they're gonna be movin' up the road with their banjos headin' for someplace. And the rest of United States had better wake up, for there will be 2-1/2 million to close to 4 million, given a year and a half the output of that plant, in two years they will be heading someplace in United States. You know what a slight effect the migration has had here in Cleveland and in Detroit. Suppose you got another quarter of a million in Detroit, 400,000 mo' in Chicago?

You can plant the cotton and weed it -- a flame weeder -- and the Dixie cotton chopper can pick it with a two-row cotton picker, and a two-row cotton picker will do somewhere around 30,000 pounds of cotton a working day. Who was it said they wanted to work?

Well, more and more of this is happening. Your machine tool industry .... MACHINERY MAGAZINE, MACHINE DESIGN, January issue of POWER PLANT -- a McGraw-Hill publication -- they have an editorial that the only thing for the future of the United States is to design machinery that consumes more KW hours, more automatic and faster, and it's the job of the electrical industry to help out the machine industry to see that they have better machines and the electrical energy is used more efficiently and more of it is used as salvation for the power industry; but, of course, all of this will not cause any unemployment.

Now the Grey Company, Greenlee, and other companies like that, and some in Rockford, Illinois, are coming out with nice advertisements of machines that take the work in and position it, the machine does the placement of the work, and then it travels through the various positions and comes out complete. It is automatic pushbutton control, and they specify that one female operator can take the place of 112 separate machine operators -- men -- now in use on the same process.

Do you realize that the machine tool industry of United States has turned out the greatest volume of machine tools and equipment in the last six years that the world has ever seen, but in order to live just a little bit longer, that machine tool industry must design machinery for the sales of tomorrow that can operate so automatic at such high production that it can amortize out the existing machinery and pay off the cost of the installation of the new within six months after installation? Otherwise you do not live, because you have enough machine tools on hand to run for 25 to 30 years. The only way the machine tool industry can operate for a few years more is to gather up all of the improvements so that any two-by-four .... the damn things even stop if the female falls asleep. It stops -- can't make mistakes. Well, why not? Where do we go?

Every Section of Technocracy has quite a large percentage of men overseas -- men and women. They're coming back pretty soon. It's going to be frightening, isn't it? The ones that we have seen at CHQ that have come back aren't going to be satisfied with the way Technocracy is operating or the way the country is operating or with the way any damn thing operates. A Canadian Major came in the office the other day -- four and a fraction years overseas service, two wound stripes, had risen from the ranks, been a Farad of Technocracy -- one of the youngest Majors, as tall as I am -- and I asked him, the Major, what he was planning to do. ".... and having risen from the ranks to that of a Staff Major on the warfront and having overseas duty, and due to my experience of fighting on several fronts and organizing the various units, I have acquired the knowledge and experience, Sir, that would you grant me the commission that I would like to apply for, may I be permitted to organize the returning Canadians for Technocracy."

We have letters coming into CHQ from men in both the U. S. Forces and the Canadian Forces on the front applying for jobs at CHQ. They're married, some of them, they're not interested in going back to any peacetime pursuit of success. All they ask for is coffee, something to eat, a place to sleep and a chance to fight this time for something they know what they're fighting for, and they want to change, the way they put it, ... How do you like that? That includes men, privates, noncoms, and officers, not limited to .... Very interesting.

I don't know if anyone heard a Canadian broadcast today, but General McNaughton, Retired, is running for bielection of .... and if he was defeated in today's bielection, the Honorable

Mackenzie King, Prime Minister of Canada, swears by all that's holy that he'll have a general election; of course, McNaughton and Prime Minister Mackenzie King are responsible for the AWOLs -- they're now deserters. Do you notice that they're not making desperate attempts to arrest them? When it gets into the number of thousands that exist in Canada today, you find them not .... because they'd have to turn the war prisoners out and put the Canadians in. There isn't any other space large enough. The situation is so ticklish that it's doubtful that even the war prisoners would stand for it.

No, we're in a mess abroad and we're in a mess here. There are no Japs in the Philippines worth talking about. Technocracy didn't expect there to be any. They're all on the mainland of Asia, that is, the effective ones. There might be a few little squads, and, of course, they're consolidating their lines, but if Russia moves through in the next few weeks, she may turn thumbs down on Bataan, and if she does, remember she'll have .... Kuril Islands, the lower half of Sakhalin, the elimination of that strategic .... area of Northern Machuko, running lights over the Chinese east from Harpieng to Darien and the possession of Darien as an international free port under Russian control. Russia may -- very interesting -- Iran .... autonomy from the north half of Iran. Iran may secede -- may want to become a Soviet Republic.

The Dardanelles are going to be internationalized for the first time in a century one way or another, either by Russia having possession of the north side of the .... the Dardanelles, or, of course, they could build a canal clean around it, which is shorter than the Dardanelles, through the territory of the Balkan Federation. The new Balkan Federation would be Yugoslavia, Bulgaria, Albania, and the <u>better</u> part of Greece.

If you realize what the situation in Europe is that Finland, Estonia, Latvia, Lithuania, Poland, Yugoslavia, Czechoslovakia, Hungary, Bulgaria, and Rumania all will be tied in economically with the U.S.S.R. The U.S.S.R. in moving west accumulates a fighting army with each new ally. As we move east, we accumulated more headaches, didn't we? And we didn't put in conscription in Italy, France, Belgium, or Holland, or North Africa; so, therefore, we do not acquire additional armies or additional allies. Dale Carnegie, you know, "How to Make Friends." Well, our foreign policy should be an imitation of Dale Carnegie, "How to make Enemies and Keep Them."

Of course, the Russian boundary line in Europe will come from Koenigsburg west and proceed south, west of the double-track railway from Koenigsburg to the Alsace, the Alsace to the Bug River, the Bug River down to the Carpathians, and from there down to ....

In every war in history in the last 800 years, there's always been an armed power even in a defeated Europe. Remember the last war? The German Army retreated with battle flags and .... the general staff even down to the Unterofficiers. Is there an Italian Army today? A million and more of those are gone. The old Rumanian Army -- it's gone. France has no army. The Hungarian is gone, and the German Army has been chewed to pieces. GAP IN TAPE. So what does it mean? It means for the first time in 800 to 900 years that there will only be one armed force in Europe. Ponder what that means, because it's one of the most significant things in 800 years of history, and we're going to sell radios, chewing gum, Kleenex? I won't go into a lot of other things. We're going to sell those in a free market over there? We're going to tell the largest armed force in the world to move over?

Churchill is washed up the moment the war in Europe ends -- washed up politically, as washed up as Mackenzie King in Canada. Not deprecating the so-called war record -- no offense; but Churchill is a Tory Conservative, the same Tory Conservative Government of Britain that operated under Baldwin and operated under Chamberlain -- the same Tory Conservative Government that under Chamberlain sold Czechoslovakia and Europe down the river for "Peace in our Time." And what a lousy peace! All the nice conferences -- Bretonwood, the Dumb Oaks, you know.

Now, the Atlantic Charter was one of the dirtiest attempts at international sabotage that two nations have ever been guilty of. They lay claim to it. Germany invaded Russia on June 22, 1941, correct? The Atlantic Charter -- in quotes -- was the result of the publicity that came

out, the result of a conference of Franklin Delano Roosevelt and Winston Churchill on board a warship on the high seas off the coast of Newfoundland on August 14, 1941. That was a conference between the head of a nation at war, Winston Churchill, Prime Minister of Great Britain, and Franklin D. Roosevelt, President of the United States, of a nation not at war. It was not signed, there was no formal agreement. The OWI made up copies and they framed the copy in the Smithsonian Institution, and when that reporter from Tennessee got after it to track it down, he came back to photograph it in the Smithsonian, and it had disappeared. There were only a thousand copies taken off, but it never was signed, and President Roosevelt later had to admit there were no signatures, there was no formal agreement, no copies, and there was only a number of memorandums -- not even on one piece of paper -- just a number of pieces of paper.

Now it was a beautifully framed attempt that Great Britain and the United States -- one a belligerent, the other a nonbelligerent -- would both refrain from acquiring any additional territories. That's the essence of it. In other words, they were both in favor of freedoms: freedom of this, freedom of that, etc., and the right of the small nations to determine their own government and their own future. Well, when anybody starts talking like that, there's always a bad odor that gets in the air, because you know that somebody is up to something.

Now the reason the Atlantic Charter was framed up was that they fully expected Russia to go down to defeat. The extent of the German Army would only take a few weeks -- 6 to 8 weeks -- to chase the Russians back of the Urals; but if, by accident, something did happen to alter that, then this would give them a dealing arrangement to turn the heat on anybody that came into the marketplace for the deal. Now only one trouble about that was this: that Estonia, Latvia, and Lithuania and Bessarabia and Poland to the Bug River had already been incorporated into the Soviet Union in 1939, so that the boundaries of the U.S.S.R. when she was invaded, she didn't ..... It was crooked but it wasn't crooked enough. They should have made the agreement retroactive back beyond 1939. Then they might have been able to use it as a club. The Atlantic Charter, if it really had been drawn as a formal document and printed on paper of finer tissue, would have been of some use, but as an agreement between nations -- two nations that have no right under international law or any other code of the sea to agree, one of them a belligerent nation, the other a nonbelligerent nation, to the disposition of territory over which one of them wasn't even involved and the other one couldn't be involved it it wanted to.

Then, of course, you grab all the nations that come into Washington, found the United Nations Agreement on a spurious document, don't you? The Atlantic Charter was a misrepresentation and fraud. The United Nations was the abortion that came out of the conception of fraud and misrepresentation. And look at the way our country has been deluged with the Atlantic Charter, the United Nations, brotherly love, lend-lease, give and forget; one could go on down the line.

And we propose to industrialize China? We're supposed to rehabilitate Europe? We propose to do everything for everybody everyplace in the world except on our own continent. Now, remember, it's our own fault. We Americans from coast to coast went out solemnly and voted for the bastards. I think that's about as polite a term as you can really call it.

Of course, I could keep this up for hours, but they kept me up to around 7:00 this morning. What I would like to ask you to do is -- I know, we're all conditioned, up against the same thing, but the trouble with us all across the country is that those of us who joined Technocracy -- well, just pay the dues, get a membership card, have this grey cloth and get a suit -- but not all of us, but a good portion, still like to go out to the Kiwanians and the Lions and the Rotaries and the Civic Improvement and the Proportional League and the Community Chest or the charity; in other words, there's so darn many slumgullion setups that are still taking up the time of Technocrats. Stop and think. What do you spend your leisure time on outside of sleeping? True, you have to put in a certain time to make a living under this system we're operating under; but outside of that and sleep, what do you spend your time at? You've still got that hangover that maybe you can get rich by working or maybe you can get on by being nice to the moron next door.

You've tried it enough times. You know you can't hope. The Greeks used to say that "hope" was the most vicious of all human vices. Now if you just list the type of things you waste your time on. I don't mean that you have to be a slave to the organization, but if you only put down several hours a week each, that is, scheduled, for so many months of that time, you'd have something in the matter of service that the organization could depend on. Of course, if you have to get tight every Friday night, you can skip it. If you have to go to a ladies aid, I think most of you have gotten over that. The only aid a woman wants is that kind of aid -- not unless she's trying to escape from reality so bad that she's in that condition, she's no good to herself or to this organization.

Well, it can be done. You can move it. It isn't that we have to have any big names or that we have to have any important people or that we have to have anybody elected. You wouldn't have thought anything of your Director-in-Chief if I had gone around this continent fawning and scraping and kissing all the posteriors of the Standard Oil or the General Motors, would you? You wouldn't have tolerated it for a moment. Stop and think whether you might be doing a little bit of .... I'm not trying to be unkind -- just asking you to check.

You go out and make your Section a part of your social life and get over this idea that you have to like the individual even in Technocracy. The engineer on the job doesn't give a hang whether the man over here likes the one on the other end of the machine or not if he can get the machine to run. You still have your intimate life, but this becomes a part of it, and it is quite a serious endeavor at the same time. But if you're going to seek your great relaxation outside of the organization and your great avenue for expression outside of the organization, well, then there's no reason for your being here. Why do it?

The READER'S DIGEST came to see me the other day and they said, "Mr. Scott, fourteen years ago the press and the public in this country kicked Technocracy around. We have had men out across United States and up in Canada checking on the organization, and we have found that Technocracy is firmly established, with offices, equipment, and that the press will never be able to kick that dog around anymore. And we have reached the conclusion that if in the United States and Canada there is a serious economic debacle after this war that Technocracy will soar to the moon, and we would like to ask whether you would agree to a series of articles in the READER'S DIGEST and a biographical sketch about you." I had to tell them, "I'm awfully sorry." "But we have over 7 million and a foreign circulation over 9 million. Wouldn't that be a tremendous advantage to the organization?" "Sir, you have all of that circulation, you could present the problem of this continent and its analysis and bring Technocracy in in its proper place and leave Howard Scott out." "That may be so, but the other day Stalin had a birthday in Russia, and no one in Russia on the air or in the press mentioned it." And I said, "Sir, that's enough. I cannot conduct my ...."

Now, I'd like to know what you think. Got any questions on your mind?

(POSSIBLE QUESTION) WHEN WILL CERTAIN MAPS BE AVAILABLE?

They'll be along sometime .... Don't get in a hurry for it. What he's speaking of is maps that are about 12" by 20" made up in 17 sections. They are United States Government maps in eight colors -- USGS Survey, Continental Hydrology and Continental Power and so on. So you'll have an exhibit and you'll have the most accurate maps, the maps used by the United States Intelligence. There's a larger one of 92 sections, double scale. One is scaled one to a million; the other one to a half -- 500,000, metric. But that would require a wall space about 21 feet high by about forty-some feet long. It's only the larger Sections like this that have the wall space here. The smaller ones will use the smaller scale.

INAUDIBLE QUESTION.

I have never been in Europe. I've been up and down this hemisphere.

INAUDIBLE QUESTION.

A lot of people have believed a lot of things. That's what you get for believing in things. No, they've printed all kinds of legends about me. They've printed that I was graduated Uppsala -- that's in Sweden -- Schlottenburg, The University of Berlin, the University of Milan, the Sarbonne -- that's Paris -- Oxford, and Cambridge. Why, yes, we've had people come in and say they went to school with me at MIT or Cal Tech and the University of Minnesota. Yes, they graduated in the same graduating class. They even tell you that they got their doctorate degree and they had one when I got mine, which I haven't got.

Now you realize there have been thousands of these stories. This stuff started way back in 1919 and 1920, and the first of it was when John Reed -- Jack Reed -- who now lies buried inside the Kremlin Wall and whose ex-wife married Bill Bullock and the father of her child. John Reed and whole slews of people came over to see all these blueprints and charts and maps, and John Reed went over and rushed into the Liberator office with Max Eastman and a lot of others there, and he pointed out that no human being could have that many charts, maps, and data and know that much unless he was head of that government's intelligence. So, therefore, he developed the wild story that Howard Scott was Chief of the Foreign Section of the Hillenstrasse and had come over to the United States to work for the United States Secret Service -- there was no FBI then. So Jim Rogers, the famous Irish revolutionary and labor leader, met me one afternoon over on 5th Avenue and accused me of being an agent provocateur -- a dirty one, and I asked him to recall his long experience with the British and Irish Police in the revolution and labor battles if he was called the same thing. He never ran across any agent provocateurs. They were all of a size that you couldn't tell one from another. So, that's interesting. "So they tell me that you're working for the British Government." With that you heard the finest lot of blasphemy that ever an Irishman could turn out, and once it subsided, I said, "Well, Tim, I'll tell you what I'll do. I'll take the German money I've got in my righthand pocket and the United States money I have in my lefthand, and we'll combine it with that British money that you have and we'll go in and buy a drink -- a sense of humor.

Now you may think that this is funny, but it went the rounds. W. Field Malone and Della Stevens, W. Field Malone, the famous lawyer .... for New York and played the part of Churchill in the movies in "Mission to Moscow," invited me up to their house over the weekend in Groton and then wrote that they regretted they had to cancel the invitation. It was a year and a half later before I found out what all the trouble was. They cancelled the invitation because they had believed Jack Reed. Now wait until you see the similarity. That was 1920 and twenty-two years later my name wasn't Howard Scott. It was Boris Bederovsky, and I was chief of the foreign section of the GPU and had three million dollars in the Chase National Bank and was sent over to the U. S. by the Soviet Government to undermine American institutions. This time it had changed over to the other, you see, but the same story exactly.

The only trouble with printing that story was that it involved a government in existence -- not like the previous story involving .... They submitted it to Washington and Washington said nix. It would cause an international incident. Case National Bank suggested .... only we hadn't submitted it. Besides, we better pull that type down publicly -- forget it. But we got a matte copy of it before they did. We have it for our rogues' gallery.

Now don't forget I was a "dope fiend, a two-bottle-a-day drunkard for 30-some years." You'll find more legends. Who created them? "They" did. Did you take the trouble to examine them? The day would come when they went on creating legends, but they couldn't take it back; and they finally told so damn many of them that there wouldn't be any more left to tell. Might bother a lot of people but it hasn't bothered me.

But you know that was also done with malice aforethought by one Howard Scott, too.

INAUDIBLE AUDIENCE COMMENT.

He knew the day was coming when they'd have to pull their own tread rope. Remember what Aaron Burr said when he was charged with being the father of a young girl's baby when he was 82 years of age? Don't you remember that famous answer? He said, "Gentlemen, it is an honor. I could not dispute a lady's word at my age." Well, come on, we can get a lot of fun out of it.

[A LONG, BARELY AUDIBLE QUESTION CONCERNING THE NEED FOR ACQUIRING A LARGE MEMBERSHIP, EVEN IF SOME OF THEM BARELY FUNCTION.]

Yes, I don't think you quite understood me. There are any number of cases where they can function, whether it's age or health or such and such position; but at least they're not starving to death. You can throw something into the pot and say, "Well, this substitutes for me. I can't .... I'm so fixed." There it is.

[BARELY AUDIBLE REPLY AND CONTINUATION OF THE SAME QUESTION.]

Well, what I was talking about was the ones that do not do that, but the ones who man the machinery that creates that turnover. I think you understand what I mean. In other words, you man the machinery within the organization, and if you take them through like that and keep up with mass production of taking them through, well, all right, you'll get a certain percentage of them.

BUT ALL THOSE THAT ARE TURNING THROUGH -- YOU ARE BOUND TO GATHER A CERTAIN AMOUNT OF PEOPLE WHO WILL TAKE THE INFORMATION AND SPREAD IT.

Oh, yes, you know yourself, don't you? Remember 14 years ago or more? You couldn't see the vocabulary, the terminology in magazines. Why, they have it in the encyclopedias and dictionaries. The words are becoming commonplace.

AN INAUBIBLE QUESTION ABOUT PROGRESS IN CANADA.

Well, that depends what you mean by progress. Remember they were out of existence for three years, three months, three weeks, and three days.

ARE CANADIANS MORE RECEPTIVE TO TECHNOCRACY?

They're more intelligent than we are. The reason for that is there are less morons in Canada because there are less people in Canada.

[A LONG, BARELY AUDIBLE QUESTION ABOUT THE POSSIBLE ESTABLISHMENT OF VARIOUS GRADES OF MEMBERSHIP.]

Well, yes, we've thought of all of those things long ago, but when you join an army, you can't half join an army, and you will notice that whenever CHQ sends out a temporary acknowledgment for a charter, it says something at the bottom: "You are welcomed as members of the technological army." You can't very well draw up class lines. The ones that do it have to carry all the ones of lesser degree with them. It's the only way you can do it. You start building up life memberships and sustaining memberships and full memberships and associate memberships and junior memberships and probationary -- hell, it's too damn much trouble! Not that there isn't something to it. I mean what you thought you had back of it is another thing. Who else? Now, don't you go and hold out on me.

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Well, when the war is over and a number of men come back, we'll issue regular publications from CHQ, but we would rather make mistakes of omission than one serious mistake of commission. Don't forget we're the only organization on this continent that is not a business enterprise, not a political party, and not a fund raiser. It survived the greatest depression and the greatest

You've tried it enough times. You know you can't hope. The Greeks used to say that "hope" was the most vicious of all human vices. Now if you just list the type of things you waste your time on. I don't mean that you have to be a slave to the organization, but if you only put down several hours a week each, that is, scheduled, for so many months of that time, you'd have something in the matter of service that the organization could depend on. Of course, if you have to get tight every Friday night, you can skip it. If you have to go to a ladies aid, I think most of you have gotten over that. The only aid a woman wants is that kind of aid -- not unless she's trying to escape from reality so bad that she's in that condition, she's no good to herself or to this organization.

Well, it can be done. You can move it. It isn't that we have to have any big names or that we have to have any important people or that we have to have anybody elected. You wouldn't have thought anything of your Director-in-Chief if I had gone around this continent fawning and scraping and kissing all the posteriors of the Standard Oil or the General Motors, would you? You wouldn't have tolerated it for a moment. Stop and think whether you might be doing a little bit of .... I'm not trying to be unkind -- just asking you to check.

You go out and make your Section a part of your social life and get over this idea that you have to like the individual even in Technocracy. The engineer on the job doesn't give a hang whether the man over here likes the one on the other end of the machine or not if he can get the machine to run. You still have your intimate life, but this becomes a part of it, and it is quite a serious endeavor at the same time. But if you're going to seek your great relaxation outside of the organization and your great avenue for expression outside of the organization, well, then there's no reason for your being here. Why do it?

The READER'S DIGEST came to see me the other day and they said, "Mr. Scott, fourteen years ago the press and the public in this country kicked Technocracy around. We have had men out across United States and up in Canada checking on the organization, and we have found that Technocracy is firmly established, with offices, equipment, and that the press will never be able to kick that dog around anymore. And we have reached the conclusion that if in the United States and Canada there is a serious economic debacle after this war that Technocracy will soar to the moon, and we would like to ask whether you would agree to a series of articles in the READER'S DIGEST and a biographical sketch about you." I had to tell them, "I'm awfully sorry." "But we have over 7 million and a foreign circulation over 9 million. Wouldn't that be a tremendous advantage to the organization?" "Sir, you have all of that circulation, you could present the problem of this continent and its analysis and bring Technocracy in in its proper place and leave Howard Scott out." "That may be so, but the other day Stalin had a birthday in Russia, and no one in Russia on the air or in the press mentioned it." And I said, "Sir, that's enough. I cannot conduct my ...."

Now, I'd like to know what you think. Got any questions on your mind?

(POSSIBLE QUESTION) WHEN WILL CERTAIN MAPS BE AVAILABLE?

They'll be along sometime .... Don't get in a hurry for it. What he's speaking of is maps that are about 12" by 20" made up in 17 sections. They are United States Government maps in eight colors -- USGS Survey, Continental Hydrology and Continental Power and so on. So you'll have an exhibit and you'll have the most accurate maps, the maps used by the United States Intelligence. There's a larger one of 92 sections, double scale. One is scaled one to a million; the other one to a half -- 500,000, metric. But that would require a wall space about 21 feet high by about forty-some feet long. It's only the larger Sections like this that have the wall space here. The smaller ones will use the smaller scale.

INAUDIBLE QUESTION.

I have never been in Europe. I've been up and down this hemisphere.

INAUDIBLE QUESTION.

A lot of people have believed a lot of things. That's what you get for believing in things. No, they've printed all kinds of legends about me. They've printed that I was graduated Uppsala -- that's in Sweden -- Schlottenburg, The University of Berlin, the University of Milan, the Sarbonne -- that's Paris -- Oxford, and Cambridge. Why, yes, we've had people come in and say they went to school with me at MIT or Cal Tech and the University of Minnesota. Yes, they graduated in the same graduating class. They even tell you that they got their doctorate degree and they had one when I got mine, which I haven't got.

Now you realize there have been thousands of these stories. This stuff started way back in 1919 and 1920, and the first of it was when John Reed -- Jack Reed -- who now lies buried inside the Kremlin Wall and whose ex-wife married Bill Bullock and the father of her child. John Reed and whole slews of people came over to see all these blueprints and charts and maps, and John Reed went over and rushed into the Liberator office with Max Eastman and a lot of others there, and he pointed out that no human being could have that many charts, maps, and data and know that much unless he was head of that government's intelligence. So, therefore, he developed the wild story that Howard Scott was Chief of the Foreign Section of the Hillenstrasse and had come over to the United States to work for the United States Secret Service -- there was no FBI then. So Jim Rogers, the famous Irish revolutionary and labor leader, met me one afternoon over on 5th Avenue and accused me of being an agent provocateur -- a dirty one, and I asked him to recall his long experience with the British and Irish Police in the revolution and labor battles if he was called the same thing. He never ran across any agent provocateurs. They were all of a size that you couldn't tell one from another. So, that's interesting. "So they tell me that you're working for the British Government." With that you heard the finest lot of blasphemy that ever an Irishman could turn out, and once it subsided, I said, "Well, Tim, I'll tell you what I'll do. I'll take the German money I've got in my righthand pocket and the United States money I have in my lefthand, and we'll combine it with that British money that you have and we'll go in and buy a drink -- a sense of humor.

Now you may think that this is funny, but it went the rounds. W. Field Malone and Della Stevens, W. Field Malone, the famous lawyer .... for New York and played the part of Churchill in the movies in "Mission to Moscow," invited me up to their house over the weekend in Groton and then wrote that they regretted they had to cancel the invitation. It was a year and a half later before I found out what all the trouble was. They cancelled the invitation because they had believed Jack Reed. Now wait until you see the similarity. That was 1920 and twenty-two years later my name wasn't Howard Scott. It was Boris Bederovsky, and I was chief of the foreign section of the GPU and had three million dollars in the Chase National Bank and was sent over to the U. S. by the Soviet Government to undermine American institutions. This time it had changed over to the other, you see, but the same story exactly.

The only trouble with printing that story was that it involved a government in existence -- not like the previous story involving .... They submitted it to Washington and Washington said nix. It would cause an international incident. Case National Bank suggested .... only we hadn't submitted it. Besides, we better pull that type down publicly -- forget it. But we got a matte copy of it before they did. We have it for our rogues' gallery.

Now don't forget I was a "dope fiend, a two-bottle-a-day drunkard for 30-some years." You'll find more legends. Who created them? "They" did. Did you take the trouble to examine them? The day would come when they went on creating legends, but they couldn't take it back; and they finally told so damn many of them that there wouldn't be any more left to tell. Might bother a lot of people but it hasn't bothered me.

But you know that was also done with malice aforethought by one Howard Scott, too.

INAUDIBLE AUDIENCE COMMENT.

He knew the day was coming when they'd have to pull their own tread rope. Remember what Aaron Burr said when he was charged with being the father of a young girl's baby when he was 82 years of age? Don't you remember that famous answer? He said, "Gentlemen, it is an honor. I could not dispute a lady's word at my age." Well, come on, we can get a lot of fun out of it.

[A LONG, BARELY AUDIBLE QUESTION CONCERNING THE NEED FOR ACQUIRING A LARGE MEMBERSHIP, EVEN IF SOME OF THEM BARELY FUNCTION.]

Yes, I don't think you quite understood me. There are any number of cases where they can function, whether it's age or health or such and such position; but at least they're not starving to death. You can throw something into the pot and say, "Well, this substitutes for me. I can't .... I'm so fixed." There it is.

[BARELY AUDIBLE REPLY AND CONTINUATION OF THE SAME QUESTION.]

Well, what I was talking about was the ones that do not do that, but the ones who man the machinery that creates that turnover. I think you understand what I mean. In other words, you man the machinery within the organization, and if you take them through like that and keep up with mass production of taking them through, well, all right, you'll get a certain percentage of them.

BUT ALL THOSE THAT ARE TURNING THROUGH -- YOU ARE BOUND TO GATHER A CERTAIN AMOUNT OF PEOPLE WHO WILL TAKE THE INFORMATION AND SPREAD IT.

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war in history. How many organizations were abolished by the United States Government? There's millions of them. We're the only one that came through. We're the only organization in Canada that had over 600 Technocrats .... search warrants. We beat them in the courts and we beat them in the House of Commons. You have to realize the strategy that we're using. Kindly get this concept: Technocracy as a social organization is more revolutionary in concept and direction than all of the previous social revolutions -- so revolutionary that we would be so far right of the Communists as to be bourgeois.

Now we've had to operate under a good many circumstances. We're at war; yet, there has never been -- a few little local things -- true, we're declared illegal in Canada, but they had to take it back and they can't do it again. We could have put all the Technocrats in Canada in June, 1940, in jail, and CHQ would have loved to have done it provided it was done without any illegal maneuvering or instrumentality on the part of any individual member; that is, if we could have maneuvered the Canadian Government to have arrested the entirety, don't think for one single moment that your Director-in-Chief would not have maneuvered. But as it was, what happened, we had to .... Today it's a movement in Canada. They know what it is. They've gone to it. Don't give up hope; you'll get a chance yet. But you'll notice we never pulled any fool maneuvers, did we, and never will. We have never asked any member anyplace to commit an illegal act. We always got our enemies to do it for us. Sooner or later, we get Washington or Ottawa to do it.

A great many of you never thought that the day would come when conscription would be the greatest political issue of Canada and a very burning issue in Washington. Now do you realize that it could be even more important in the near future? If we have to land 2-1/2 million troops in China -- take your pick -- and we have an economic depression here at home, unemployment, do you think you could maintain an army morale in Asia with 3 million Americans with their brothers, relatives, fathers, and so on unemployed? And the Army would be the first to know it. You have what's-his-name down here in Akron -- Knight -- that owns those papers, all out to conscript the labor. Labor has been so damned dumb for the last six years -- of course, I'm speaking of official labor, the AFL, Brotherhood, CIO -- they've all played right along down the groove. They took them on a trip on a cruiser, wined and dined them. Why, the labor leader thought he'd arrived! I'm speaking of one right here in Cleveland. Oh, yes, he went down to Roosevelt on the cruiser, then was flown back and his wife, and he told me .... I asked him how much he thought that trip would advance the Brotherhood of Railroad Trainmen nationally. Don't forget, we know. Technocracy has its list; the Russians have theirs.

INAUDIBLE QUESTION.

Don't forget any time that the armed forces of a nation are only the reflection of the national condition of that nation. May I ask you a question? Do you know what I'm asking you? Then don't blame the armed forces for being different.

Come one. There's a lot of fun in this if you'll let me.

INAUDIBLE QUESTION.

Total Conscription? No, not if you've got good lettering on the back of your shirt. You can try it.

A QUESTION OF CONTINENTAL HYDROLOGY

Well, now, what is it about it you would like to know, because it covers a terrific area. I don't know where you want me to start in. [REPLY] Now wait a minute. That's what I want, I want a specific thing. Now where is it you want to know about? [A FURTHER REPLY] Come up the Columbia by a series of dams, you raise the Grand Coulee to its proper height, which is -- its present height is 1,310 -- put it up to 1,430 or above -- anything above that -- that backs the water up the Spokane River right to Spokane. You can use the Spokane River or you can use the Pend Oreille

on Lake Pend Oreille. Or you can go up the Spokane River into Coeur d'Alene Lake and into Pend Oreille, and then up the South Clark -- do you know that river? [INAUDIBLE REPLY] Well, that's the disadvantage. You have to have large-scale maps. The South Clark runs in Montana northwest into Pend Oreille and Helena, Montana. Just north of Helena, Montana, there's a high contour there over 5,000 feet and narrows down -- the dam would be there on the Missouri River and you back the water up for miles and it flows from there to Helena. There's only about 8 miles where you cut through the ridge from that Missouri dam to the South Clark Fork. That what you want to know? Now, if you're specific about asking me where it is, I'd tell you; but don't ask me to start in and do it for the whole works.

A QUESTION ON MINING.

What methods? It's what's known as the continuous long wall system. A machine that moves like that, moves continuously, opens your long wall up for miles. That makes the undercut -- that's the first machine, travels right ahead. The next one comes along and has a huge boring head -- that's number four -- and moves in like that and bores a whole flock of holes in the coal face all at the same time and backs up and does that all the way down the coal face. The next one is like a big ell of armor plate and it has compressed air and a special hose that will stand 5,000 pounds pressure, and the hose goes in the hole like that and the compressed air is suddenly released. It comes back against the big armorplate shield and the shield pulls up and the coal loaders load it on a conveyor belt. The speed of your machine is 4 miles per hour.

INAUDIBLE QUESITON.

Not in color. [INAUDIBLE REPLY] Now wait until I finish this. Now you don't use timber. You use a combination strut-shield with a giant balloon tire top and bottom with a hydraulic leg on it, and as you move where you mine the coal out, you inflate these -- the one on the top and the one on the bottom -- and here's your coal face over here running along this way, and here's the other face with this waterproof and other type of shield with the tires on the top and bottom that run lengthwise. When you inflate those, it accounts for the irregularities of the floor and the roof, and then you hydraulically close the clamp down and that moves this way as you take the coal out. [REPLY] Oh, a good number, because if you could do that, about four feet high. I thought you were going to be stuck on that one.

The Alzetas Coalfield in Green River, Utah, and Colorado, the most extensive coal deposit in the world -- that coal comes out there 60 to 80 feet thick and runs this way for miles and runs longitudinally -- horizontally -- that way for miles, and it dips slightly toward the outside like this. [INAUDIBLE QUESTION] That's high volatile bituminous. No engineer wants to do anything with anthracite. [QUESTION ON GREEN RIVER] You have it above Green River and above the Green River Bridge of the Union Pacific Railroad. [COMMENT] Yes, you'd have to move the Town of Green River and the Union Pacific Station and the bridge. [ANOTHER COMMENT] That is a pretty tough proposition where you've mined out one seam of marketable coal and let 6 or 7 cave in.

[SEVERAL MINUTES OF INAUDIBLE QUESTIONS AND ANSWERS]

Remember the days of Jim Fiske? Who was the Deacon? You know what they used to do on the Erie Railroad? The gambling was so raw on Erie that they used to have gangsters steal the stock from each other. It was a good buy. The only trouble was that there wasn't enough stock to steal -- the legitimate stock -- so they counterfeited the entire Erie stock and they had gangsters steal the counterfeit stock from each other; and that war got so tough that they retired one bunch of gangsters and one , and they went over to Jersey City and built a regular little fort to prevent the other bunch in New York from stealing the counterfeit stock.

My father was in the midst of all of that. He once was a partner of "Bet-a-Million" Gates. Shades of American Steel & Wire and the Texas Oil. How many of you have ever traveled over the Michigan Central from Detroit to St. Thomas to ? Well, my father built that section by

a firm from Windsor to St. Thomas and also built the Welland Grand Bruce. This was all before my time. The Welland Grand Bruce is now the one sound division of the Canadian Pacific Railroad. One of the engineers on the Welland Grand Bruce was named Donald Bruce, and the railroad ran through a farm owned by a Scotsman named MacKenzie, and they employed the old man to be stable boss and chief hostler. They employed the son, named William MacKenzie, to be the assistant stable boss and Donald Ross -- I said Donald Bruce -- Donald Ross married one of old man MacKenzie's daughters while working for the firm of Goddard & Gates. And then Donald Ross moved west to become Chief Engineer of the Canadian Pacific Railroad. His brother-in-law, Bill MacKenzie, went out there and met a contractor by the name of Bill Mann, and they joined up to do contract work on the same division that Ross was Chief Engineer of, and the firm was named MacKenzie & Mann.

You old-timers ought to remember this. Then they blew down so damn much rock -- more than the contract called for -- that they were able to find that railroad up in Manitoba. Can anybody tell me the name of that railroad, the first railroad they ever bought? The Manitoba Central or something like that -- I've forgotten. Donald Ross went on to become President of that Canadian steel company in Sidney and was it his son or grandson, Commander Ross, who owns Man-O'-War? And William MacKenzie became Sir William MacKenzie of the Canadian Northern Railroad. I once had the pleasure of meeting him in a consulting capacity. He was at the end of a long directors' table and he looked up and said, "You look very familiar. Have I ever met you before?" I said no .... well, that's quite a coincidence. That's too far back for my time. Your father's farm was on the Welland Canal Bruce. "Yes, but how in hell did you know that?" Well, is it interesting?

INAUDIBLE QUESTION

I wouldn't venture any opinion on it. They're liable to do anything. In other words, to finish up the Alaskan Highway would take considerable more work. Why should they do it -- spend all the money -- so the little fellow can get in there? No. What do you think the chiseler is, dumb? Not when it comes to doing a lot of the other suckers. He's smart. The only thing is that popular demand may be such that they may have to do something with it as a national white elephant. That's the only thing that would force it.

QUESTION ON OIL RESERVES

The oil reserves of the continent are all right, but the oil reserves of the United States are running down. The consumption of oil is far greater than our rate of discovery, and, of course, we've dumped oil all over the globe for a price. [AUDIENCE COMMENT] synthetic oil? They have synthetic rubber, too. Nature has been prolific on this continent, but we've allowed our businessmen to loot it from beginning to end. It takes of all synthetic rubber -- they make others. Still, it takes the high end of the to produce it. To strike a 100,000-barrel well a day, the tax is nothing.

INAUDIBLE QUESTION

Well, at least they've to a fuselage ship. Not very big anyway -- only a 141-foot wingspread. You could put two of those on the back of our flying wing and still have a little left over to spare.

INAUDIBLE QUESTION

Oh, yes, it can be done, but it's still high cost. We could run all the automobiles on this continent but it would take a lot of corn and you couldn't do it by individual farms. Have to get in another type of agriculture.

INAUDIBLE QUESTION

Pitchblend? The greatest radium deposit is up there -- far greater than Austria -- just off the Great Bitter Lake. The greatest silver deposit in the world is up there -- 2,000 ounces of

silver to the ton. The greatest copper deposit is on coronation Gulf -- 46 percent Cu bornite. Can anyone tell me when that copper at Coronation Gulf was discovered? It was discovered in 1771 and the original specimens lie in the South Kensington Museum in London. How do you like it? INAUDIBLE REPLY Not in use. You want to go up there and grab yourself a hunk of copper and come back, no one will stop you. QUESTION No, we haven't a lot of tin. We have tin in various places but no tin as rich and comparable as that of Malaya, but we do have tin on this continent in many places but no single deposit that is comparable as the alluvial deposit of Malaya. We have some which may develop to be as comparable to that of the Bolivian porphory.

A QUESTION ON THE CONTINENTAL WATERWAYS

Oh, some of them, yes, would be seasonal, but the Great Lakes, for instance, would be year-round operation. REPLY Oh, well, now you might get down to such low temperatures crossing the Rockies, for instance, in one or two places, that you suspend for a while; but the Coast Guard, with very small power compared to the marine tractor -- the marine tractor design of Technocracy has five 12,000-horsepower units, four in use and one standby. That's a little power, isn't it? Those marine trailers have two 1500-horsepower motor driven propellers, 3,000 per hull -- that's 12 -- and that's 36,000 horsepower, isn't it? Well, there's 12,000 left over.

Now, we could have icebreakers that travel about 5 miles per hour through 8 feet of ice. The trouble with putting ships through ice is, if they're individual ships, the ice comes back in between the individual ships, doesn't it? And the icebreaker has to turn around and rush to each lame duck separately; but with the marine train, they're hooked in tandem -- two together -- six long and two wide. They're twin screw and twin rudder all controlled from the front end. You can put the marine tractor in the front or the middle or the rear -- all 250,000 tons with 20 men that don't do that much. The cost is less than 1/11 cent per ton mile. The units, the marine trailers, are 200 meters long and 18 meters wide and 6.25 meters draft. There are twelve of them in a train. Now you get your pencil out and figure out what your total square surface of deck is and then figure how many kids you can carry on one of those trains with movable deckhouses. Remember, your freight is going to be moved anyway. It doesn't cost you anything to put the kids on it, and the cost is borne by ton mileage of freight, isn't it? So for the first time in history, you can move the youth of the nation in millions -- not in hundreds, millions -- 25-30 million kids. By the time they're 18 years of age, they will have been in 8 to 10 places on this continent from the Arctic to the Pacific, to the Gulf, Caribbean, and Atlantic. We can do it now. Begin to see what the concept involves? And the youth have been at school and functioning and under different climates with an elevation above sea level, different mining, different agriculture, for at least 10 places, so that by the time they're 18, they will know what to specialize in. You won't have to tell them.

They'll tell their dad, it used to be your time, but look, this is our time, and they'll know it. AUDIENCE REPLY Use your gas turbine in the North, the Arctic, where it's efficient, but don't use it down south. Your T_1-T_2 variation is not great enough. In thermodynamics, the temperature of your air, T_1, your incoming air, T_2, it's that differential; so, you've got a greater differential in the Arctic, haven't you? Therefore, your gas turbine becomes more efficient in the Arctic and less efficient in the tropics. You can use it -- any kind of fuel -- in the Arctic, but we can use other machines in the tropics.

INAUDIBLE QUESTION

What do you mean by bankrupt? You all have money? You may not have ration points, but you all have money. No, you see these things don't mean anything. $300 billion debt -- what does it mean? I've told you time and time again that you can run the debt of United States to astronomical figures because it's a creation of credit. The only thing about it on this continent is when you start engaging in such huge amplification, you alter the technological equipment and facilities of the country. Germany had monetary inflation. She wasn't altering anything. She merely changed the tags -- the inventory tags, the price tags. All they did was just put a new one on. Germany could have continued its monetary inflation to where it had a thousand zeros after the main figure, and it still wouldn't have altered the internal mechanics of Germany one iota. But as we shove our debt skyward, we have to put in newer machinery, don't we?

INAUDIBLE QUESTION

Well, they didn't have so much only for a short period of time. Their children today are all Canadian -- most of their children today are those radical revolutionaries that are fighting Mackenzie King. In other words, those loyalist concepts that their forefathers moved in there with, they buried them with their ancestors. They did have a slight effect up until probably about 1860, but in the last 50 years, no, they've disappeared.

INAUDIBLE QUESTION

No, but then we can make machinery so fast that -- war production so fast -- that it wouldn't last. We'd catch up to the requirements of the Asian campaign and then what do we do? How long has United States operated at full load? We have yet to operate two years at full load, haven't we? How many plants do you know of today that are operating 24 hours a day every day in the year -- how many? Anybody working here tonight in one of them? No? Why, I thought we were at war, ladies and gentlemen. You see what I mean? We're going to have a junk pile in North Africa, a junk pile, that's scrap 30 miles long.

INAUDIBLE QUESTION

Well, don't you know what they're doing? They're running all the bad women and all the best games and all the black markets. We've got everything under control (Free enterprise) -- certainly. The inviolate right of every American.

WILL TOTAL CONSCRIPTION BE A MAJOR ISSUE IN THE NATIONAL ELECTIONS OF CANADA?

It will be. No matter what political party it is west of Quebec. They go to their constituents. They'll have to go to them on the basis not of partial conscription but of total conscription. It's like some returned officers the other night when I was having dinner with some men from Wall Street, one of the Wall Street men said, "Mr. Scott, don't you think it's a little late for total conscription?" "Well, what do you mean by 'late'?" "Well, we should have put it in back in 1941 in December when Pearl Harbor -- but now don't you think it's a little late?" Well, suppose we have the other side of the tale. Three officers with several years overseas, having been in the campaign, wounded, said, "It isn't a question of being late. I'm going to tell it exactly the way it sets." The man had three wound stripes, a Purple Heart, the Congressional Medal, and said, "But if you take it from me .....

TAPE BECAME COMPLETELY IMPOSSIBLE TO TRANSCRIBE BECAUSE OF INTERMITTENT OMISSIONS

A QUESTION ABOUT THE RATE OF GROWTH OF TECHNOCRACY

Its fastest growth is when there has been economic pressure on, but that it has continued to grow during the lush period of the war has been one of the astounding things. In fact, it's been contrary to our expectations. We were fully prepared for a serious drop, but instead of that, and, incidentally, I may inform you, since June of last year -- she was moving up like this all through the war -- but she's turned up like that. Now what's that indicative of? It's indicative of awareness across this country and Canada.

How many of you have sons, brothers, or relatives at the front in the armed forces? Thank you. Now do you see what I mean? There will be those who won't come back, but there will be those who do come back and they'll be in the majority. Did you ever stop to think that this organization, Technocracy, has thousands of members in the armed forces of Canada and United States of all ranks? I mean that word all ranks. As a soldier, he was a Farad -- you know what that means. You see we have Sections across this country that have as high as 37 percent in the armed forces. You don't know of any commercial organization that has that figure -- 37 percent of some of our Sections are in the armed forces. They haven't forgotten, you know. Literature goes out from CHQ to every point in the world occupied by Canadian and U.S. forces. Money orders come back, passing through British and U.S. censorship -- never any trouble.

QUESTION ON ANY TROUBLE SENDING LITERATURE TO THE ARMED FORCES

Mrs. Bolton? Oh, well, that might explain it; but so far as we know, there has been one or two minor cases where something came up but a telegram to the proper authorities cleared it. Why couldn't they get Technocracy literature in Crile Hospital -- wasn't that the question? And the remark was passed that it was probably due to Mrs. Bolton. I'm not up on the local femininity. She's a member of what? [CONGRESSWOMAN, 22ND DISTRICT] Of course, Bolton was worth a lot of money, wasn't he? Where did they live over here? [INAUDIBLE REPLY] That's the one I met.

INAUDIBLE QUESTION

Well, you'll know very soon. The Senate is holding hearings today, tomorrow, this week. The House passed it. They'll put it across if they can -- $10,000 fine and 10 years in jail. Frankly, I hope they do. Certainly. The labor organizations of this country have been so damned dumb in the last five years. We've told them time and time again what was going on. "No, oh, no, that's not what we received." "Too tough. We didn't have anything like that." "We'd never think of that before."

INAUDIBLE QUESTION

No, no women at all -- that's only the registered nurses. [COMMENT] Women 18 to 45, and then they bring the pressure on all the others. They've done it to females already on your draftboard. As soon as Burns issued that directive, they started right in. I don't know whether you know it, but they've already jammed through about 20-some thousand that refused to change their jobs and they set up a camp in Illinois where you're put in uniform and given a short basic training, and then sent out to the factory. I'm not kidding you. I'm only repeating a press report on it. So, if you don't like the job they tell you to go to, why, they put you in uniform and send you out to that place in Illinois. This place in Illinois is only for that purpose -- solely for that -- and it's set up by the little .... Well, how do you like it?

It's a sad fact to relate that we Americans .... the only way we get knowledge is when we get kicked so hard on the lower extremeties that it drives it up close to the ears. We have more schools and more general education than any nation in the world, and yet we refuse to be mentally defined. There's more mental indecision in United States than any country in the world and more psychos GAP IN TAPE Do you realize that I've spoken in 81 places in Canada, let alone this country? Yes, we have an organization, but in comparison to the job to be done, no. If we had a few million or something, we wouldn't have this condition.

INAUDIBLE QUESTION

That's correct. Their fright of it is that conscription of labor installed is only one answer and that labor would go for it as soon as it's forced.

INAUDIBLE QUESTION

He wants to know how many have seen the ads of the NAM and read past the title. You've got quite a slew of them. They were in all the big newspapers.

Well, come on. Have one more before you get your coffee.

INAUDIBLE

Well, yes, after a fashion but they only want modifying amendments to it; in other words, if your labor union membership is maintained, it's all right. Don't worry about its being repealed. The question is, what are you going to do? If it's going to take measures that stern to stir this country up, well, let's have it. You see, we have the idea that's widespread across United States

that we can have social change and everybody will have creampuffs and mink coats. Everybody is going to be nice to each other. You're going to do this like the fights in the movies when they throw the pies at each other -- going to be a Hal Roach comedy. I'm afraid it's going to be -- if the tendencies are as bitter as in the last five years -- there's going to be death. You see, Russia has no fifth columnists because Russia has no businessmen. We're unstable, we've no decision, no direction. Black markets, more rackets, more debt -- anybody bother about it? As long as churches were making theirs out of bingo, they were for more bingo, weren't they? Everybody tolerates everything else. All they want is more of the same and yet they're scared to death.

Why, you Technocrats, you've got to realize, you know, that there are people in United States who think that Howard Scott, and, incidentally, every other Technocrat but me in particular, only because he symbolizes the movement as a whole, is worse than Stalin, Genghis Khan, everybody rolled into one. And their attitude is this: that even with Hitler or Stalin they could make a deal but not with Scott.

INAUDIBLE QUESTION

No, I wouldn't advise that because you'd also have to indict every American, and you can't indict a nation. I mean, all of us -- here we've been carrying on trying to show that the participation of the citizens of United States, what? Once in four years. Do you have other dinner parties and where there's no liquor, no entertainment or no floor show. We're the only organization that does that clean across this continent. In a social crisis, all your institutions of yesterday, all your ancien regimes, go down. Bear in mind, no leaders of an ancien regime ever assumed leaderhip in the midst .... Human history has a way of washing them out with a finality of no return. But for us to indict anyone in the government or financial leadership for direct responsibility for the deaths of those in the war, no. A huge mistake, but the war is only one of them, only one. Just like the attitude of those who go out and make a great hullaballoo about doing something for the negroes. We're not deprecating the negroes when we say this, but you can't do anything more for the negro unless you do it for all Americans, black, white, or any other color. When we're on it, let's cover the whole range. The same thing applies to the Presbyterian, the Baptist, or the Roman Catholic or the Hebrew who do their individual devotion in their faith and that they can achieve it through Roman Catholic action or Baptist or Presbyterian action or the Hebrew Synagogue. They may achieve a personal satisfaction, but to advocate that any particular belief or that any particular group of citizens in United States or that the veterans should be given economic preference so that the veterans should be favored, it can't be done. You can't save the veterans and you can't elevate the veteran and you can't elevate the Catholic or the Protestant or the Jew or the negro or anything else unless you do them as Americans and not for the Protestant, the Catholic, Jew, veteran, or anything.

.... anyone to be naive enough to believe that the political maneuvering and economic coercion of any particular group. What it amounts to is a conspiracy of the minority against the majority of this continent, and you cannot achieve anything but anarchy so long as you propose to facilitate a furtherance of the conspiracy of more and better minorities. It can only be done by combining as Americans and not on the partisan divisions of economic division, religious worship, or occupation or color.

A LONG INAUDIBLE COMMENT FROM THE AUDIENCE

Well, those Technocrats who are members of unions can go to work in your union, but as far as advocating nationally that the labor union doesn't make contracts so long as you have the existing system and they have to function as the merchandising of man-hours. You see, Technocracy cannot operate as an organization to educate the majority. What's going to compel the majority and what's going to educate them is not the schools or Technocracy. It's going to be the force majeure of events. [AUDIENCE COMMENT] Well, that can be presented by individual members in the union until you get a certain nucleus. Technocracy has no desire of destroying the union under this system, not a bit. You make my point clear? They'll carry on anyway, because as long as you have corporate enterprise, you'll have enterprise, corporate or uncorporate, in your labor field.

INAUDIBLE QUESTION

No, the leadership is fascist in under . AUDIENCE REPLY Well, the Bloc Populaire and the Union Nationale are a fascist setup. They would like to separate Quebec from Canada and United States and form a corporate state, Quebec; but you can't do that. We fought one war in United States to validate . There's no provision for leaving it after you enter, correct?

INAUDIBLE QUESTION

Six thousand? Oh, heck, you can do better than that. But I don't want you to start anything like that until after Europe goes down. I tried to tell you that I was running under wraps, and if your Director-in-Chief is running under wraps, we have reasons. We'll take the wraps off.

INAUDIBLE QUESTION

I regret that I have to answer that question. Lincoln always gets me into trouble in Illinois. There are women from out in the audience who grab me by the lapel on the coat, you know, and look up to my face and say, "You're insubordinate." I'm not trying to claim indemnity, don't misunderstand me.

INAUDIBLE QUESTION

Oh, have you seen that WASHINGTON POST ad that we put in two weeks ago yesterday? It's posted. It's on the bulletin board now. AUDIENCE REPLY Well, there will be one in the General Mailing. Of course, the WASHINGTON POST doesn't sell any advertising space for General Motors or Standard Oil, United States Steel or any other corporation in the United States. They cut that all out because of the favors . WASHINGTON POST is quite curious why Eugene Martin, publisher of the WASHINGTON POST, planted that space opposite the editorial page in a Sunday issue. The reason why he did it is that the WASHINGTON POST prints a limited Sunday paper edition that goes into the Library of United States. Remember, we always play for the record.

.... The present manpower bill, of course, or national service bill, is just a cheap conscription of labor, which Technocracy has been telling labor that it is part of a game that's been trying to put over for years. We've published two weeks ago today on two-thirds of a page in the WASHINGTON POST as a matter of record calling it to the attention of the nation, just a reminder that we introduced the Total Conscription Program on the first of June in 1940 in Canada and the first of July in United States. We don't like to have our spitballs thrown back at us years later in a muddled form and distorted. They would love to have a $10,000 fine and 10 years in jail, and then, brother, could they slip it to you. Oh, you're married and have three children and you own your own home? Oh, how ducky. You'll just work over there. Well, you'll have to sell your home? Oh, you can't keep your apartment? Well, you want to be patriotic, don't you? You don't want to be fined $10,000. For a lot of men, that's an unfair amount. It would be cheaper to pay the $10,000. There would be many of them in the end go to jail, you see. That doesn't apply to everybody. They're not making that much. But that's the guise that they're getting away with, and each local draft board could .... Just think, there would be a Republican there on the draft board -- what they would do to you Democrats! Even Mayor Burke wouldn't have a chance, would he?

[REMAINDER OF TAPE IS INAUDIBLE]

* * * *

HOWARD SCOTT
VANCOUVER FORUM
JULY 2, 1947

On the first of June, 1940, Technocracy introduced its program of Total Conscription of men, machines, materiel, and money, with national service from all and profits to none, in Canada at the Western Conference of Municipalities in Yorkton, Saskatchewan and on the 20th day of June, 1940, we were declared illegal by an order in Council. Prior to the election that preceded that in Canada -- the preelection caucus of the Liberal Party, the Honorable Mackenzie King had promised Quebec that conscription would not be introduced. We were a casualty of that promise.

In World War I, Quebec didn't want to fight because the Republic of France was a godless country. In World War II, Quebec still didn't want to fight because the Republic of France had gone fascist under Petain and Vichy. Well, if Canada and United States had introduced Total Conscription, there would have been no national debt. There would have been no war debt. Every male and female would have served their country on exactly the same basis, whether in the armed forces or at home. Every piece of property, machinery, equipment, and materiel would have been put in national service on the basis of National Service to All and Profits to None. Maybe, of course, many of you wouldn't have liked it. You thought you were going to get rich out of the war. In fact, a lot of people in United States and Canada regret that the war ended. They were never having such a good time and enjoying such fine returns as when the boys were overseas in the foxholes. They were making the money.

The armed forces of United States and Canada were out fighting the armed forces of fascism around the world; yet, the people of United States and Canada were not at war with fascism. They had their snout and all four feet in the greatest gravy trough of prosperity the world has ever seen. The only thing they regretted was that they didn't have two snouts and eight feet.

Now the war is over, that is, the military war. The economic war is on. United States and Canada did not liquidate the fundamental causes underlying the depression of 1929 through 1937. They're not only with us but with us magnified. We are the supposed victors in World War II and now what do we find? The only way we can get relief is to go abroad. You here, of course, ship your meat and a good many other things. The United States does the same thing.

Our foreign policy -- so-called -- has been a reflection of our internal operations. Our internal operations have always been dominated by those -- let's call them politely -- chiselers: the businessman, the private enterprise of this continent. They always louse up everything if they have a hand in it. Bigger and better profits for them, while you, the taxpayers of Canada and United States, pay for it. You know you love to be trimmed.

There are only two classes of people on this continent. We differ from those in Europe. In Europe, the European peasant considers himself wealthy by the size of his manure pile outside his front door. He knows from long historical background that if anyone attempts to move that manure pile, home will never smell the same. He resents any attempt to operate the area. It's always been human toil and hand tools, so there is class resentment from the grand bourgeoisie down to the peasant.

But here on this continent, there are only two classes: chiselers and suckers. The sucker here on this continent never resents the chiseler; in fact, when he is trimmed, what is the first thing he does? He rushes back to the plant, office, or home to drag his relatives or friends down to the same place to have the satisfaction of watching them get trimmed the same way he did. Suckers here on this continent don't hate the chiseler; they envy him. Because why? Because they want to emulate him. Every sucker on this continent wants to graduate into being a chiseler. We know you. Why does he want to do that? Because a chiseler is he who gets the most for the least.

The native habitant of this continent was the Indian. The Indian had more sense than these white men. He knew there was no sense in work, and he never tried it. Did you ever hear of a mule ever killing himself from working overtime or dying from overeating? No, you never did. The mule is intelligent. It's only the human jackass who owns him that does that trick.

Well, here we are on this continent facing a unique situation. In 1929, when the great financial collapse occurred, the British mercantile imperialism was a going concern around the globe. So was the Netherlands empire and the French. Today those are gone and they're not coming back.

Great Britain, in the last three centuries, had a wealth of iron ore, coal, tin, copper, and sturdy oak. Today she is mining iron ore of 23 percent Fe, and her coal is deeper and deeper down and farther out to sea. Her coal mines, their average depth is over 1,300 feet. She's only operating on 0.7 ton per man per day production. The seams are dipping and getting thinner. In some places, the coal extracted has just about reached the limit, because it takes practically all that is mined to keep the mine dry. In other words, Great Britain went out and squandered her national resources around the world on the harpies of world trade. She got them. Flags -- the trade followed the flag outward bound until the sun never set on it. Today the trade is following the flag homeward bound.

The British, with all their fortitude, it's not their fault. The fault of the ruling class and the nobility of the British Isle -- they were the trustees of the national inheritance and they squandered it regardless of the general welfare and the common good of the British people for their own benefit around the world. Britain couldn't be worse off if someone had executed their nobility 200 years ago. She'd have been better off.

United States and Canada have their economic nobility, too. You only have to look around this Province to see the way you gutted valley after valley of the finest timber. What? To build homes for Canadians? It's the same thing in United States. Ninety-two percent of the working adults in USA receive less than $5,000 a year, yet most of the homes constructed last year and this are from $9,990 to $18,000, necessitating a carrying charge of $78 a month to $104 a month. Why, in order to buy one of those houses, you have to earn $125 a week. There are only 6 percent of the people of United States earn that much money. The ordinary GI and the ordinary populace can't afford to buy the houses that private enterprise builds for them. True, there's a land of the free and the home of the brave.

We mobilized in United States over 14 million in the armed forces. We organized the greatest productive effort in history, and we dumped it all around the globe. We spent $300 billion on the war; and, yet, the same people who had that capacity to give -- capacity to work -- can't organize to build houses for their own people, for their own returned veterans.

You know it. All you have to do is look around you. Your cost of living has been shoved up in the air -- not as high, probably, as some other places across the continent. In New York, hamburger is 85 cents a pound. Well, when it gets to 85 cents a pound, there's very few people buy hamburger. They go in for canned dog meat. One packing firm in Kansas is packing 25 million one-pound cans of horsemeat right now. Of course, it's only supposed to be sold to those unfortunate negro Americans and to foreign populations.

It's a pretty sad commentary that in the greatest continent in the world, the lower economic levels have to be further depressed instead of rescued. If we could mobilize them for war, why can't we mobilize them to produce security and a decent living for every human being? Why can't we spend as much money for peace? If we can spend $300 billion in United States for war, we can with equal facility spend $300 billion to redo this continent so a human being can live a decent life. You know it; it can be done. But what do you do? You go out and vote for the same old stinks you've always voted for. You love to be fooled, don't you?

One of the greatest hoaxes ever pulled in the history of the world was pulled on August 14, 1941, when the head of a belligerent nation met the head of a neutral nation on a ship of war three and a fraction miles or more off the coast of Newfoundland. The press of United States and Canada, religious, political, business, and civic leaders, all alike, proclaimed the great Atlantic Charter. Everyone proclaimed their faith in that great document, whether they were political opponents, business rivals, or ecclesiastical comrades-in-arms. Up until a Tennessee newspaperman photographed that illuminated copy of the Atlantic Charter in the Smithsonian Institution, everything went lovely. The United States Treasury printed millions of copies of the Atlantic Charter -- nice beautiful illuminated documents with the signatures of Franklin D. Roosevelt and Winston Churchill on the bottom. When that reporter went over to the State Department to photograph the original, they had to send him to the White House, and Franklin D. Roosevelt admitted that not only was there never a document, there never was a written line, not a scrap of paper, and there had never been a signature. Isn't it lovely? Sucker, you believed it, don't kid me! This audience or any other audience fell for it, and if you want to get some curious correspondence, write the United States Treasury Department in Washington and ask if you can have one of those millions of copies that have been printed and see the answer you get. Now they're even afraid to give them away.

Of course, many of you Canadians are wondering who is going to succeed Mackenzie King as leader of the defunct Liberal party, just as many people across the line are wondering who is going to be elected President in 1948, as if it made the slightest bit of difference under this political-economic structure who is elected into any political office.

Human beings have always had rights. You've got the right to a decent living, a right to a comfortable home, a right to opportunity, a right to happiness and enjoyment. Everyone has it, but just try to get it, brother, without the purchasing power. Just try to go to a bank or a financial institution and say you have a right to a home. You know what will happen to you. You'll get a bum's rush out of there. That gentleman has a sense of humor. He's probably been kicked out of a good institution. Well, that's what's happening.

In United States, of course, the great war president, Franklin D. Roosevelt, well, he's gone to Jesus, and Harry S. Truman has gone Republican. Canada and United States enjoy a particular position amongst the nations in history, in that these two countries have graduated more low-grade morons into multimillionaires than all the rest of the world has done in history. That, brothers, is an achievement -- at your expense.

Now do you think that in United States or in Canada the substitution of one political office-holder under this system for another is going to alter the fundamental mechanics of the system of producing and distributing a regulated scarcity? No, not the slightest, regardless of what party gets in. They all want to get into office, you will notice, under the existing system. Canada and United States are going reactionary, because corporate business in United States today has over $70 billion cash. That's apart from the plants and equipment and other assets. The public has $130 billion on deposit. Seventy-eight percent of that amount is held by less than 27 percent of the depositors. That doesn't leave very much for 73 percent of the depositors. Most of you aren't fortunate enough to be in that 27 percent class. So what happens?

The Taft-Hartley Labor bill is only another indication of the drift that is occurring both in Canada and United States. The Taft-Hartley Labor Bill is identical in intent and wording to the same legislation introduced by Hitler in the Reichstag. It's fascism and you know it and every person knows it.

The first move on the part of Hitler and Mussolini, partners in crime since 1919, when one started in Bavaria and the other in Italy, was to crush your labor organizations or any organization that had an idea that differed from them. Well, the move is on. How many people in this audience hold a union card? Will you kindly hold up your hands. Well, that's a goodly number. May I inform all of you who hold a union card that you're suspect right now. Well, you might

just as well be hung for a sheep as a lamb. Why don't you get a card in a real revolutionary organization? If you're going to be hung, get hung for something. That doesn't say we're opposed to unions, we're not; but you have to build a mass organization across this continent -- not a split-up collection of heterogeneous little organizations. It has to be a mass organization, continentwide, with the same structure of organization. This country and this continent can produce and distribute abundance to everyone -- not the little penny-ante chiseling/nonsense you're getting. You're content with so little, aren't you? When you could get so much -- without half trying.

Well, after World War I, at that time, do you remember that Winston Churchill was one of those charming Englishmen who was responsible for General Poole and 20,000 British Army .... in March, 1918, they were taken overland by the Kelano electric railroad across Sweden to Northern Finland. At the same time, when General Poole and the 20,000 British were operating in North Finland, ... at Hango in South Finland. The Germans under General Rudiger Von Der Goltz and the British under General Poole were operating under the same general staff for the overthrow of the Finnish-Soviet Republic, while Finland and French and Americans were fighting on the western front. Dear Winnie!

Well, then Estonia, Latvia, Lithuania, Bessarabia, Kars, and Ardahan were separated, and the U.S.S.R. was invaded from 14 different directions by 8 countries. .... were erected into a Cordon Sanitaire by the joint conspiracy and agreement of Great Britain, France, Italy, the Vatican, the United States, and Japan. The erection of the Cordon Sanitaire was the geographical barrier that enabled the seeds of fascism to be planted in Western Europe and to insure its good healthy growth. This country and United States, in its business organizations, shipped scrap steel, pulp, timber, copper, etc. to Germany, Italy, and Japan. Canadian and American business derived a profitable -- highly profitable .... In 1933 and 1934, the present speaker stated, as you may have heard, "Mrs. America, don't squawk when your son is killed with a Pennsylvania coal car, a Ford rearend or the 6th Avenue El, because when they come back to you, they won't be Japanese bouquets." In 1940, United States shipped 22 million barrels of petroleum products to Japan. The Texas Oil was shipping oil to Spain and Italy and getting paid for its products by tankers built in Germany. Several of those tankers ran the British naval blockade after the war was on, and finally that stink got so bad that when Cap Reiber, who was the Chairman of the Board of Texas Oil, had Dr. Westermach, Hitler's Legatsonrach, housed up in Westchester in one of their houses and supplied with two of the company's cars, that was too raw. They fired Cap Reiber, Chairman of the Board of Texas Oil. Bob Hague of the Standard Oil is dead now, but as he said, he was making so damn much money out of shipping oil to Germany and Spain and Italy, that he couldn't quit.

Well, you know it. You stop to think -- business got ~~wealthy~~ financing fascism, and then it got more wealthy out of the war to fight fascism. And now what does it want to do? It wants to have another war to save its soul. You know that.

The process that Roosevelt -- and incidentally Mackenzie King followed -- in the national operation of both countries, was the process of capitalizing an ever greater national calamity, of compromising into an ever greater compromise. Roosevelt ran out of calamities great enough in United States, so he had to get into the world's greatest calamity to stall it all off. Well, we're reaching that situation now -- the same thing all over again. Business would love to have a nice, beautiful war right now.

The Taft-Hartley Bill is only the beginning. You'll have more of the same type of fascist legislation. Of course, we of Technocracy have a cure for that. For those types of people who propose legislation like that, we call it the water cure. We think people like Taft and Hartley should have a high colonic of sufficient hydrostatic head so it knocks their ears off. Sorry I couldn't state it in franker terms.

Every corporation that has any big reserves is ordering more technological equipment. They're putting in more equipment in order to reduce the higher unit labor cost. You take the British

coal mines of 0.7 to 1 ton per man per day, well, here's the monthly average of Consolidated Coal Mine No. 30, the 28th in West Virginia, it only ships 70 tons per man per day, fourteen times the United States rate and 100 times that of the British national rate. Well, coal mine equipment companies are working three eight-hour shifts a day, and don't forget that we have a lot of scientists, technologists, and engineers in Technocracy who are helping to do it. We just love to design equipment that produces more faster with less man-hours.

New looms will be out soon in which the shuttle will be gone forever. No vibration -- merely pull them in on your office or your home floor. Quiet in operation. There are two types, the rotary and the flatbed. The rotary will just weave six feet in diameter, twenty feet wide when you open it up. We love to put people out of work.

Technocracy's process for mining coal is a continuous long wall not using any explosives, that will mine from 500 to 1,000 tons per man per day. We don't like to see people mining coal. Did you ever hear of anybody getting rich down in the coal mines? Wasn't until he got out of the coal mine either by convincing the damn fools to elect him to public office or by getting somebody else to work for him. The same way, did you ever hear of a woman slaving in the kitchen over a hot stove acquiring national fame? No, you never did. Wasn't until that meal ticket of a husband of hers got somebody else to do the stove and got her out of there.

What kind of a continent do you want? The same old fiscal system, the same old political system where you go down and drop a ballot in the box and elect the same old thing into political office? Your contract of citizenship in Canada and United States legally entitles you to the rights, but there is no guarantee of your status economically. Your standard of living isn't guaranteed. This is the greatest continent on earth, and we can provide everyone with a standard of livelihood 20 times the average today -- but would we let you work 12 hours a day? Or 10 hours a day? Or 8 hours a day? Why, no, we just wouldn't let you work more than 4 hours a day, 4 days a week, and 20 years of your life. Those of you approaching retirement, what good are you if you have to wait until 60 to retire? You're a worn-out wreck. Certainly they can afford to let you retire at that age; you're no good to yourself or anybody else.

If you put in 20 years of decent service in this country in this continent, you're entitled to retirement. We can afford it. We're not China. We're not India that increases its population at 5 million a year, a 50-million increase every 10 years. At least we're getting a little sensible that way.

Now you don't raise your son or daughter to be saloon keepers, do you? If one of them does kind of get into the business, you don't speak about it. You don't raise your son and daughter to be a politician. That's considered outside the pale. If one of them does occur in the family, you whisper about it -- you don't say it openly. And yet, what are you doing? You're kidding yourselves that you as individuals can express your resentment or your objection, and once every four years or so, you go down and make a mark on a ballot and well, you'll put in a new tenant. Oh, you've been doing that for a few centuries. Look what's it done to you. If you don't think it's done something to you, look at yourself in the glass when you go home tonight. Nothing to be proud of.

Do you think a human being that has worn himself down with fatigue and worry and economic insecurity in 20 years is something proud to look at? You're no different, but, yet, you're still apathetic. You won't move unless something pushes you. Therefore, I guess you'll have to learn the hard way.

Now, remember, if we get another economic depression, there won't be the British mercantile imperialism to hold us up around the world or the French or the Dutch. United States and Canada will be out on the end of a limb all on their own. On the other hand, Russia and the Russian orbit will be grinning at us.

Russia <u>has</u> expanded during this war. She's got about all the territory she needs -- 8,200,000 square miles in the area of the U.S.S.R. and an additional 2,000,000 square miles. How much did United States and Canada get? A couple little flyspecks in the Pacific. Russia doesn't need any

more territory, and the press that hollers about stopping Russian expansion, why, it's silly, it's stupid. Why holler for you to stop something that they've already succeeded in? We talk about peace. There are only two areas on the globe that have the resource potentiality or the manpower to have peace. All the other countries don't matter.

If this continent and the U.S.S.R. decide on a defensive and offensive alliance, the rest of the world couldn't make war if it wanted to. Don't misunderstand me. We are not advocating Communism. Technocracy considers that Communism is sufficiently radical and revolutionary for the Old World. In Europe, they still have alternatives politically and economically. Here on this continent, Communism is so damn far to the right that it's bourgeois.

Let's have a social movement that is North American, for heaven's sake. We don't have to copy it from anyplace on the globe. We have 3,000 miles of boundary line here that is supposed to be peaceful, and yet if you attempt to cross it, you're involved in a gorgeous mess of red tape.

Canada is going broke trying to vie with U. S. dollars to the south. Technocracy is urging and has always advocated that the currency of Canada and United States be put on a parity basis, and their standard of living on a parity basis.

Britain today is not the Great Britain of 30 years ago, or 50, or 100. On August 15th, they move out of India. Burma will be next -- Sudan and Malaya. There won't be very much left.

You will be compelled -- if the people of this country and United States wish to remain a major power in the world situation, Canada and United States will be compelled to consolidate this continent. Russia, the U.S.S.R., is a contiguous continentalism by historical accident, but we, the people of this continent, must create an equal to or greater than contiguous continentalism by intent and design. We're not European, even in spite of the fact that your forefathers came from there.

END OF RECORDING

American animals, you, know, have large heads, large forequarters, and small hindquarters. The European animals have small heads and forequarters and large hindquarters. The American bison, bear, moose, cow are different, although some of the species ... the European animal puts its large posterior area into the storm and goes with the storm. The American animal puts his head into the storm and goes against it.

Now, if you're worried about the behavior of your friends or rivals, kindly examine them as to whether they have a European posterior or hangover.

Technocracy has built an organization from Medellin, Colombia, from north of the Arctic Circle in Canada, across from Vancouver Island to Sydney, Nova Scotia. We've done it with little people. We have no angels, no endowments, and no subsidies. We're not affiliated with anything else on earth. We're nonsectarian, nonpolitical, and nonprofit. What we have done we have done because the average North American has gone to work for us. If you think the few cars and the few equipment you have seen today ... if some of you are bothered or perturbed about it -- I wonder how you're going to feel when fifty times that number rolls in.

Remember that the cars are individually owned by people like yourselves. They come out here on a trip like this on their own expense, taking their own vacation time. Nobody pays them. We're the only organization in the history of this continent like it and we're damn proud of it.

We do not run political candidates. Any citizen of Canada or United States is eligible to join Technocracy Inc., provided he is not elected to political office. Why? We're very frank about it. After all, all political parties, whether in Canada or United States or anyplace else on this continent, smell alike to Technocracy. Why distinguish between stinks in this power age?

Now if you're dumb enough to advocate a political party, Technocracy doesn't want you, because you're no good to us, and you're no good to yourselves or your country either. I know, I didn't come here to make you like me. We don't appeal to you. We may hit you with a pipe from under the kitchen sink, and if I had one here, I would.

Quite worrying about other people. After all, you have enough people here tonight if you had enough competent leadership to do anything in this part of the world -- you've got the capacity, you've got the technology, and you've got the knowledge. The only thing you lack is the will to pick that posterior of yours up off the street. Oh, you know it.

Well, your railroad company cars here or the depression sets in. Remember when you were on relief here, and ... well, I have a bone to pick with you citizens of Vancouver. The last time I was here, there was a nice, big, new hotel unoccupied, and I suggested that if ... the vote ... the money of the Canadian people, and if you're looking for a place to live, take it over. What's the matter with you? Have you got an inferiority complex and want to live in a dump?

Well, it is ironic, isn't it? When you could have had the best and you deliberately chose to get the worst; and now, of course, some of the press are grooming the Honorable Jerry McGreer to take the place of the Honorable Mackenzie King. You ought to feel delighted. Well, he introduced me on the platform the first time I spoke in Vancouver. I always have kind memories of him, but it shows you didn't learn anything. You just elected him mayor again, didn't you? People are that way.

What we'd like to know is how you feel about the area you live in -- its economic structure and where you can . You have cards there, and I would like you to write your questions on those cards, and I'll do the best I can to answer them for you. Thank you.

After all, this is one of the most interesting periods. It gives you a chance to get back at me. You know, a great many of you have been indoctrinated by the press -- the press of United States and Canada being the most reliable source of misinformation extant; and all kinds of peculiar concoctions have appeared trying to make out that the Technocrats are slightly crazy. Well, we don't deny it. In fact, we rather revel in it, because a crazy person is a human being exactly like the rest of us, only more so.

Now, we're not running for political office. Get that out of your head. You cannot elect Howard Scott or any other Technocrat to political office, and Technocracy isn't going to take over anything. We're an educational/research organization, and we're trying to show you what can be done.

Here you have a river out there ever since you came out west. The same holds down in Washington and Oregon, the Columbia. You could, by diverting the surface water of the Peace and the Athabasca into the North Saskatchewan, and from there by damming the Saskatchewan, you could fill up the famous Qu'Appelle Valley. You know, the Qu'Appelle Valley is large enough to take the shipping fleets of the world... This is the only continent in the world, ladies and gentlemen, where the rivers and the mountains all run north and south. That's why somebody has had a good job .... No other continent has it. But do you do anything about the Fraser? No, you do the same as they did in the State of Washington.

Technocracy was the only organization that protested the building of the Grand Coulee Dam -- the water elevation 1,288 feet, the road elevation at 1,310 feet. Oh, yes, it backed up the water to on the Canadian boundary. Our specifications call for water elevations of 1,428 feet, roadway at 1,450 feet. At 1,420 feet, it would have backed up the water north of the Canadian-Pacific Railway bridge at Revelstoke. You wouldn't have required 630,000 horsepower to pump up the water on the plateau by gravity, and you would have generated another one million kw besides that. Was there any group of citizens in the Province of British Columbia or the State of Washington that took any action? No, there wasn't.

If you proposed NVA(?) in the United States today, the Bureau of would provide just 51,000 farms of 90 acres additional today from St. Louis on the Mississippi to . Isn't that a puny, cockeyed little achievement for this continent when we could have had a 22-foot waterway from the Gulf via to the Pacific, the same as you could have had here.

Your present power transmission system of 3-phase AC is only good for a couple hundred miles. Technocracy's million-volt DC transmission system is good for 3,000 miles, with only 10 percent line loss in 3,000 miles of transmission. You could deliver power from Fairbanks, Alaska on the Yukon to Los Angeles and from Labrador to New Mexico.

How in God's name do you think you're going to develop a continent with the little penny ante, picayune propositions proposed by private business and all the cheap chiselers who line up for their own benefit and not for the general good and the common welfare?

MEMBERSHIP MEETING
WITH
HOWARD SCOTT
SEATTLE, WASHINGTON
JULY 4, 1947

Thirteen years ago in February of that year, I left New York City with a one-way ticket to Cleveland and a $10 bill. We arrived in Cleveland, and the night of the meeting, a blizzard hit. We went from there to Detroit, spoke at the University of Michigan. I arrived at Ann Arbor, Michigan, with thirty cents. I got $35 for speaking at the University of Michigan. I arrived in Chicago, spoke in seven different places, and we managed to get our railway tickets; we hadn't gotten them yet. The rest of the tour party had our pullman clean across the continent. We spoke at Bloomington, Illinois, Springfield, St. Louis, Kansas City, and got to Omaha and were on the air in all the places. We spoke at big meetings.

Kindly remember that we didn't even know who was putting on the meetings. We had to take a meeting put on by anybody in order to get across the continent. In Omaha, we were down to a bottle of milk and one sandwich in the Continental Hotel -- that's the best hotel. The telephone rang and a man introduced himself over the phone, having heard the broadcast on his car radio coming down the state, and invited us to dinner. We said we'd be delighted. [Laughter] He came up to the room and explained his interest, and we quietly told him we were rather hungry -- did he have enough money? Oh, yes, he had enough money; and we told him the circumstances. He didn't realize it was so. He took us out and fed us the three best steaks in Omaha.

Well, we got into Denver. The blizzard had been following us all the way across the continent and we thought we had escaped the blizzard. Ben Briscoe bought 500 tickets .... and Jim [Benchler] of ..... a big dinner at the Denver Club. I had only two suits of clothes. I should say I only had one; the other one was rather transparent. And I did have a heavy suit of underwear, but the heavy suit of underwear -- when we arrived at Denver, the sun was nice, bright, and shiny, the blizzard had followed us clean across the continent -- so we decided we had escaped the blizzard, and we threw away the underwear. We packed the Broadway Theater in Denver to the roof and out of that great meeting we got $2.00. Somebody made a lot of money; we didn't. And the blizzard hit in the morning six inches deep.

We managed to get up this coast and into Canada. We got back to New York with $2.80, mostly Canadian. Well, next year we went farther and further. Gives you some idea of what the beginnings were in trying to carry this across the continent. Today it's quite different. In the early days, there was one person here, another person there, up and down this continent. The first time I arrived in Edmonton, it was 35 below zero. One lone Technocrat, coming down the platform, and every step he made you could hear a squeak. It does squeak at 35 below zero.

It was the same way in many other places. In Trail, British Columbia, there was just one man there, too, once upon a time, and he happens to be here this evening. Walter, I'd like you to stand up -- Walter Stahl, the first Technocrat in Trail, British Columbia. [Applause] He saw it move from one until it would fill the biggest theater and the overflow in the Knights of Pythias down the street. Well, he also went through the ban.

We have another one up there who lives in another town -- another one who has stuck it out. Oren, I'd like you to stand up. [applause] Oren McGraw from Kimberly. That's where they have a few mines up there. I'm talking of the ones underground that they mine ore from, not misconceptions.

Today this little organization of ours -- there's a map of the Technate, framed, hanging down on the wall of one of the finest modern buildings in Medellin, Colombia; another one in the Havana Electric in Cuba. We're out at the tip end of Nova Scotia. Even the bluenoses want to belong to it. Well, I don't suppose anybody but Canadians would know what I meant.

We've just completed an operation down there; of course, we call it Operation Codfish, but we're well received by the people in New Brunswick and Nova Scotia and by the miners. Well, why shouldn't we be? We're also breaking into Quebec, believe it or not. We're signing up French Canadians in the City of Quebec, let alone Montreal and a few other points. We're starting in Quebec shortly. Well, when we got enough French Canadians in Quebec to start organizing the French Canadians, they went to work. Get enough in Panama to make it go, and they'll organize that, too.

Gives you some idea of the scope. We're now conducting quite an operation in the southern states. We have capable organizers and members in Greenville, South Carolina; Roanoke, Virginia; Mississippi; Tennessee; and we're opening up Texas. That gives you some idea of the way it's moving up here.

CHQ is receiving mail from abroad: Britain, France, Belgium, Holland, Czechoslovakia, Yugoslavia, Vienna, Budapest, Berlin, Copenhagen, Norway, and Sweden. Literature is going over there all the time. Some places they cannot pay for it because they cannot send out the money, but they're sending us back literature printed there. Fair exchange, if no robbery.

Of course, many of you did not know that, prior to Hitler, there was a Deutche Technocratische Geschellshaft in Germany -- an incorporated organization with some of the best scientists in Germany and they published some very excellent magazines; but when Adolf came in, the Deutche Technocratische was liquidated.

There was a Czechoslovakisha Technocratisha Spolensk in Prague. Well, they published an excellent magazine, too, and they edited and published seven volumes of the best technical job that's ever been done on Technocracy. The only trouble with it is is that the mathematics in it are so beyond the average engineer's mathematics that 99% of the engineers in United States couldn't handle it. Three of the outstanding scientists and mathematicians in Europe wrote it. It was published by the best book publisher in Europe. Remember this was before the war.

There was also the Nederlandisha Technocratsha in Holland, with offices in The Hague. There was an Austrian organization. Those were all liquidated, of course, by the advance of fascism. Some of them died; some of them went to prison and concentration camps; and some of them went underground.

In Italy, there were twenty-six graduate engineers sentenced to 10 years "confino" for advocating Technocracy. They were liberated -- what was left -- by the Allied troops when they captured [Lipari]. They are now back in Northern Italy and they don't like Gasperi.

Now remember those organizations over there were never affiliated with ours here. They took our literature and our ideas and built their own. In some cases they were political and some cases not. There are two movements in France; one is a political movement, the other is nonpolitical. Both are on the radio in both France and Algiers, publish pamphlets and books, and weekly papers, but we cannot control them nor do we wish to. There isn't any Third International of Technocracy.

A Belgian ran for alderman in the City of Brussels before the war, and he scored more votes than the Rexist Degrelle. Quite interesting, isn't it? That group are now publishing pamphlets, very nicely done, big, black letters on the front: ADVANCE WITH TECHNOCRACY NOW. We just got them in a couple of weeks ago. See, we're in the very peculiar position. Many of these people who have turned up their noses at us for the last 15 years had better get their nose straightened, because if this keeps on going, it's going to be rather funny.

John Carradine and some other movie magnates arrived in New York a couple of months ago, and they invited me to dinner with some of the executives of the MGM and other movie companies, along with their General Counsel, and they were recalling about making the Hollywood stars appearing

in public celebrations in Los Angeles. John Carradine read Lincoln's Gettysburg speech. They were pointing out that movie actors appeared there and were paid by the movie company, while Technocracy didn't have a speaker there at all, but the grey fleet rolled in with the veterans and everybody had to rise and salute, and then they sat down and the movie stars did all the talking. At the end of it, everybody had to rise and salute the grey cars going out again. Technocracy got more results without saying a damn word than they did with all their talking. Two of the movie magnates at the dinner said, "Mr. Scott, if Technocracy keeps on growing and gets people like that and cars everyplace, why, don't you think you'll just have to take over the Republican Party or the Democratic Party?" "Why do you suggest anything like that? "Well, there will just be so many of you." I said, "Are you acquainted with God?" He looked at me in a peculiar way. I said, "Well, if you were, you know, you'd also know that God is always on the side of the greatest technology and biggest numbers, so why should Technocracy take over the Republicans or the Democrats?" [Laughter and applause]

Now it's very difficult for people to realize what makes this "here-now" Technocracy grow. They ascribe all kinds of reasons to it, but they ascribe what <u>they</u> would like to <u>believe</u> to be the reason. I've had many bankers and industrialists ask me, "Well, how do you get members? Why do people join Technocracy? Do you offer them something?" No. "But what makes them become members?" I said, "I haven't the slightest idea." Laughter] "Well, now, Mr. Scott, you must have some idea. These people buy automobiles and paint them gray and get gray clothes. Well, now, I'm Chairman of the Board of so-and-so with thousands of employees, and I wouldn't dare to ask my employees to paint all their cars a particular color." I said, "That's right, <u>you</u> wouldn't dare." "Well, how is it that you can do it and our bank couldn't do it." "Well, I said, "that's very simple, sir. Your employees know you and the Technocrats know me." [Applause]

Now we're moving up into a new stage. Those of you who went up with the motorcade or followed it along to Vancouver and back -- rather interesting to watch the reactions of people. Do you think that the City of Seattle or Vancouver could handle 5,000? Do you think they could handle 2,000? Now realize the distance. Go home tonight and get out a map of Europe and put a thousand or more miles on it and see how far you could go on the map. The airline distance from London is only 600-some miles to Berlin. One car traveled 2,468 miles. It traveled the same distance back. It just appeared tonight; it's on its way home to St. Thomas, Ontario. [Applause] Put that down on your map and see where it will take you. That's quite a distance. And when human beings undertake to cross practically a continent on their own intitiative, at their own expense, for the purposes of this organization because they have faith in it, because they're for it, tht kind of loyalty you can't buy. [Applause]

I know it always surprises people. People say, "Well, what are you Technocrats for?" Well, you found out. All the friends you had when you joined the organization -- you've lost them. You couldn't play bridge or go drink beer anymore if you're going to be busy. They didn't want any more of it. You've found a new set. You found a lot of other things. You also found psychological and emotional stability within this organization that people outside do not have. There is a greater percentage of pyschos in United States today than has ever been in history, and more people owe their psychological stability and salvation to this organization than anything else.

I have one man's revolver in our safe -- also his insurance policies for a quarter of a million. He lost considerable money. He was going to blow his brains out and leave his wife and two children the insurance policies. Well, he joined Technocracy and gave me the policies and the gun. He's quite healthy and so is his wife and their children are very lovely; so, I don't think his wife will have the quarter of a million of insurance. It's quite a change.

Now, remember, more people went up economically in this war than they did in the last, and if these values are liquidated, there will be more people liquidated in the process. But bear in mind that there are more buildings that are higher today than there were in 1929. When you jump out of the 86th story of the Empire State, you know, it splashes. It's happened. We Technocrats can face the future with a faith and a serenity that no other group of people in this country can,

because we know in a general way what the trends are and the future developments, and we're not afraid of it. We're not afraid of this system being liquidated; they are. But we're not going to help save this system. We're not going to be elected into political office. The Republicans and the Democrats, the conservatives and the liberals, Social Credit, and the CCF, they still have a little try at it. Of course, up in Alberta where they publish the Social Credit paper, they publish hot attacks on us every once in a while, and they accuse Technocracy of being financed by Moscow and Wall Street. Well, now the secret's out: You know who's behind us! [Laughter]

During the war -- well, I might preface this with a short sketch. In 1939, when Russia and Finland got into the little fracas, the propaganda coming out of Finland by American correspondents over there was so interesting that we started to plot certain graphs and locations on the maps. The American correspondents' propaganda was that the Russians were just throwing shells at the Mannerheim Line and throwing so many of them that the Russian artillery was pretty lousy, and they couldn't even hit the Mannerheim Line. But they did give us the temperature, the periodicity, and the general position of the misses. We thought that was very peculiar, because the temperature was 47 degrees below zero in January and February, and the misses were all peculiar because they were landing in front of the forts. The Russians, of course, had the second oldest artillery school in the world, and they've been accustomed to cold temperatures a good many centuries; so, the cold couldn't have been any great variable. There must be a reason for it.

We started to do some little calculations, and we came out with an analysis of the artillery that the Russians must possess. We gave the following general factors: that they had a 240-mm. long barrel, constant temperature control, hydraulic breech, automatic loading, controlled fire. They had a 300-mm. I'm not talking now about howitzers. I'm talking about rifles, because the American correspondents unwittingly gave us the difference, because they were telling us that the Russians knew so little about -- that they should have attacked Mannerheim Line fortifications with howitzer fire. But here they were firing with rifle fire; so, we figured back from the periodicity that must be those size of shells and that must be that kind of gun. True, they were landing shells in there. They didn't want to hit the Mannerheim Line -- hard frozen ground -- but they were throwing shells so fast that hydraulic automatic loading of that size, they were able to excavate -- as we predicted -- ground in front of the Mannerheim Line of the forts, and the forts rolled over in the excavations, and the Vickers and Krupp guns turned up to the sky.

We submitted our report to G2 in Washington. They were unable to confirm that the Russians had any such artillery. It learned nothing from the American Embassy in Moscow or from any other agency. We still contended we were correct; so, one day there was a conference at CHQ, and a high official said, "Mr. Scott, do you know what the latest line in Washington is?" No, sir, I don't have the slightest idea. "Well, it used to be that the Communist Party followed the Moscow line, but now the latest is that Moscow follows the Technocracy line, and that you people have a pipeline to Moscow." He said, "Have you?" I said, "Why, yes. Just a moment, I'll ask them to bring in a pail and you can take it into the next room and get the latest pailful." That's the kind of nonsense that went on.

Just as in September, 1939, when all Poland. Remember our attaches, cameramen, reporters accompanied the German Army in Poland. They littered the top of my desk with the latest photographs and I objected to the wording on the bottom. They immediately notified Washington, and Washington came up and said, "Mr. Scott, you made certain remarks about these photographs." I said, "Yes, they were photographs taken by U.S. photographers of the Russian Army meeting the German Army at Brest-Litovsk, and they had below it a comparison of the poor equipment of the Russians and the magnificent equipment of the Germans. I asked the ranking officer from Washington if he had any children. He said he did. I said, "What are they?" He said, "Boys." How old? He said, "One is eight and the other is ten and a half." Well, can your boys tell the difference between a Ford and a Chevrolet? He said, "They certainly can." "Well, then," I said, "you should go home and take lessons from your children, because the guns in those photographs are Putleov, 1917." "Do you mean to say the Russians haven't made any guns or trucks or gun carriages since 1917? How do you know?" "Well," I said, "I'm like your children. I know the difference between a Ford and a Chevrolet. The Russians robbed every war museum in Russia, and they told the Germans and the others what they wanted them to know."

The world believed it and it kept on believing it right up to the battle of the Neisse River in front of Berlin. Even Eisenhower and Montgomery thought the Neisse River line was going to hold the Red Army; and in the attack on the Neisse River in front of Berlin, the Russians flung 4,500 big caliber shells in two hours and thirty minutes. They attacked at night and they lighted it up. Those big shells do not include the Katayshas and other rockets. They attacked with 7,000 planes and 4,800 massed Stalin tanks with a 122-mm. gun in each tank; and the reports are that they killed more Germans in one single battle of a few days than we killed or we lost in dead in the entire European campaign -- 3,400 to 3,700 guns to a mile of front. Charming people, these Russians, aren't they?

I would like to call to your attention that 9 out of every 10 world champion chess players in the last century have been Russian. It's time somebody taught Americans how to play chess en masse.

Now a lot of you are worried about your little problems in your locality, the little difficulties you get into in your Section. Most of your difficulties are the result of your cockeyed Price System hangovers. Get that through your head. You still want to either inflate your ego or get a reward psychosis out of being in a little bit different position or having a different title than somebody else. Now let me tell you something: If there were a thousand grey cars in Seattle tonight driven by a thousand deaf-mutes in grey, they would be worth in effort ten times what you are now. You know why? Because they wouldn't know how to talk to anybody else, and they couldn't hear what anybody else said; but they would be a mass impact on this city and its environs.

All you have to do is introduce mass symbolization in this country back of an idea and a social concept that is collectively organized on a strategy that is in accord with the historic parallelism of events. If it is, then that parallelism of events and that strategy can always implement the policy of that organization, and then that organization will move; but, for heaven's sakes, cut out the nonsense between yourselves. The job is bigger than any of us and all of us put together.

You worried about your job when you wear the Monad? You might lose the one you have? If it's so damn important .... Do you know that four people quit their jobs to go on this motorcade, because the business organization wouldn't give them a vacation, and they quit. Well, you're going to be frightened by someone's attitude in this system or if you think someone is superior because they hold a position in this sytem seems to be of importance. That's all nonsense. Who are we? Individually, none of us may be important; collectively we're a power. Yes, very funny, and yet some people are impressed with a little show of money or position. You don't have to go in and spit in the banker's eye -- that might cure him. We don't want you to do that.

Now, right here in this city, in this state, you can build an organization. If your time outside of the organization and outside of earning a living is going to be spent on the usual Price System ..... you won't have time to develop the organization. We aren't asking you to kill yourself for the organization or on your job, but realize what happens in the average family. You see, it's only the man working. When he gets home, why, his friends and relatives -- I won't say anything about the wife -- take up so much of his time, he hasn't anything left. Now you've got to figure out and allocate your time, because the organization needs every minute of your time that you can spare outside of making your livelihood in this cockeyed system.

People have worked for weeks and months to come on this tour. They made it. Others didn't have to work so hard. Now we can move this organization -- we <u>have</u> moved it -- and you're proof that it has been moved this far. Those of you who went to Vancouver the other night, remember that was a two-day holiday up there. We kind of knocked the place loose -- just as the editorial of the VANCOUVER PROVINCE accuses me of being impertinent. Well, that's where the VANCOUVER PROVINCE is downright dead wrong. I've never been <u>impertinent</u>. I've been <u>insulting</u>.

You know that old story of the piccolo player in the church orchestra? When someone in the congregation got up in the rear and inquired of the minister, "What the blankety-blank was that

fellow trying to do -- play the piccolo?" And the minister said, "You shouldn't call that piccolo player a son-of-a-bitch." And the man in the back said, "Well, you shouldn't call that son-of-a-bitch a piccolo player!"

When you're in this mood, I think you ought to hear the new national anthem. [A recording of "I'm Headed for the Last Roundup."] We're going to get one for Canada, too. You have to have a sense of humor in this thing.

I don't know how many of you came across THE NEW YORKER MAGAZINE a couple of weeks ago. It had about 1,100 words in there, and they opened the 1,100 words with, "The Enemy of the Bourgeoisie." They came over for an interview, but they missed the really fine points; for instance, that part on golf. I said that proficiency at golf in the younger American male was indicative either of approaching senility or general imcompetence and a wasted youth. You'll notice I said, "proficiency" in golf in a "younger" American male.

In relation to those few sentences on the capitalization of calamity, when the assistant editor of THE NEW YORKER said, "Well, Mr. Scott, aren't there any more calamities left for us to capitalize?" I said, "We're in a very critical state in this country today, because Farley has cancelled his contract with God, and God doesn't like us any more." They didn't print that.

You notice the VANCOUVER SUN, one of the Canadian papers, misquoted me again. Remember I said that, "Franklin D. Roosevelt had gone to Jesus and Truman had gone Republican." Well, that's not the correct way to say it -- you know what I mean -- but they couldn't say he'd gone to Jesus. They said he'd gone to "heaven." Now, that isn't what I meant at all! That's the trouble with the American public -- they have a dirty mind.

You know, when someone asks me what they would do with all of the stocks, debentures and bonds and everything if Technocracy comes in, my invariable reply is that they be made into a paper, a paper of finer tissue. Yes, but now there you go yourselves. I don't mean what you mean -- I'm talking about Kleenex.

How many members have we here in Seattle tonight? Put up your hands. That's quite a few. How many of you have painted cars? Well, how many of you have not painted cars but have cars? Come on, let's see. Almost as many. You want to go to work and do a job? Do you or don't you? See how many you can paint in the next six months. No reason Seattle can't have a grey fleet, too, and Vancouver. First thing you know you keep this up, Bellingham will beat hell out of you. Can't let that happen, can you? You want to look out for Tacoma, too. Liable to give you an awful run for your money. You can do it. You've done a swell job. You've done a capable job of organizing here, but, remember, you're moving up into another order of magnitude. You have to do a bigger and different kind of job.

Another thing I'd like to say is in the appearance of the Seattle Section, there appears to be more women doing the job than men. That's just from appearances. I don't know where the men are or what the men are supposed to be doing, but the women seem to be doing quite a job up this way, no matter what it is. Of course, up on Vancouver Island, we have a Section that is practically run entirely by women. I've always been wanting to go up there and find out what the devil did it. I don't know whether they chased the last man out yet or not.

Now you can do it here. You're going to get quite a kick out of this: you're going to be accused, you know, publicly -- just as up in Canada it's already started -- that the grey fleet came in to take Canada over, and they actually believed it. One Englishman pointed at the lead car and said, "Why, there goes Hitler!" Same type of thing, you know, exactly. Just because we have grey motorcycles and grey cars, they're going to call you all the names they can think of. You might as well get prepared for it. Also bear in mind we aren't going to take over Canada.

Now if any Canadian who is not a Technocrat wants to know anything about Canada, tell them we're not going to take it over. Canada's greatest export in the last fifty years has been native-born Canadians. In 1945, they exported over 8,000. Last year over 18,000 to this country, and there's approximately more native-born Canadians in United States than there are in Canada. All Technocracy has to do is ask the native-born Canadians in United States to go and take their own country back. You're going to see a lot of things happen.

Of course, 'Azardous 'Arry down in Washington .... That must be one of those Republicans up there. Well, it's pretty sad that we have what we have locally, nationally, but the Republican Congress isn't going to improve it. They'll only do the same thing. There's only one political party any more. True, there are several in Canada, but their ambitions and aspirations and platform are for the same thing. They all want to get into office under this system, no matter what they promise.

Remember a political platform is all right to come in on, but it never was built to stand on. Now that's the position they're in. Things are going to be quite difficult for certain people in certain fields. A man in Everett, a businessman, owns quite a nice place there. He says, "You know, I've never found anybody that could meet Technocracy's .... more than my take, and I could not stay open after 6:00. I think I'll get into Technocracy now because there's no sense in trying to own property and run a business under this system if you're a small businessman." I said, "Why, you have the beginnings of intelligence."

You may find an entirely new bunch in Everett out there because you may corral a lot of them in business. They may want to come in and help. They won't know what to do with themselves when they quit their business, will they? They'll have to have something to keep busy at, won't they? Now you can provide them with lots of jobs to do in Technocracy, and all these businessmen that had to keep busy all these years -- it's up to you to see that they don't have breakdowns.

What's on your mind? I'd like to hear from you for a change while I take my coat off. How about it?

[THE FOLLOWING QUESTION PERIOD CONSISTED OF ORAL QUESTIONS AND NO QUESTION POSED FROM THE FLOOR WAS PICKED UP BY THE MICROPHONE. CONSEQUENTLY, SOME OF THE ANSWERS WILL HAVE NO REFERENCE POINT AND WILL NOT BE UNDERSTANDABLE. IN SOME CASES, THE CHIEF REPEATED AT LEAST A PART OF THE QUESTION, AND THE ANSWERS WILL BE SOMEWHAT UNDERSTANDABLE. ALSO, IN SOME PLACES, THE RECORDING WAS BLANKED OUT BY NOISE OR FOR SOME OTHER REASON.]

.... the trailer you have. Don't blame it on him. I understand.

[QUESTION] About as cheaply as living at home? [REPLY] In other words, you could live on the move without practically any difference, relatively speaking. [REPLY] No, we've been investigating a certain type of trailer for some time. It can be expanded - collapsed. It could travel fast enough so that a car could hit high speed, and we may have something to report on that. There are also some that can be obtained out here. You can, if you handle it correctly, travel with a little butane stove and other things. You can travel very comfortably and inexpensively, but I don't know about children. We didn't go into the children yet. We'll have to leave that until later.

[QUESTION] Well, you know I'll tell this American public of ours, if they ever once get the realization into their head, that we're the most revolutionary social organization on earth and if they ever start going in our direction, look out. All God's children will get wings at the same time. God help you!

[QUESTION] No, there's no danger of Technocracy being suppressed here unless this country goes utterly and completely fascist. That is quite a job to do. There's too many of our men in the armed forces that have seen what fascism has done in Europe. Men right here in this audience that have been in Dachau. You couldn't sell them fascism here or abroad.

Speaking of the public, as one international banker said to me the other day, "We couldn't have fascism or could we have communism here because we haven't any structure internally or have we the discipline to install either." He was speaking of business, not Technocracy. Business and politics like that .... very difficult to transform a collection of rackets into anything corresponding to what Europe has, that is, the type of rackets we have here where everybody wants to be in a racket.

[QUESTION] Why does CHQ have to have headquarters in New York where rents are so high, and why can't it be more centrally located? Because New York is the business, economic, and news center of this continent, and it's also the best research center. New York libraries, the Engineer's Library at Columbia, are even better than the Congressional Library.

[QUESTION] .... not inflating anything in the monetary world. That's only a change on the price tag; it doesn't make any real difference. The question is how are you going to get purchasing power into the hands of a mass of people to buy back these terrific inventories no matter what the figure runs to. Germany and France had terrific inflation. China today has 56,000 Chinese UN dollars to one US. Inflation is only one part of the picture. [REPLY] Now what do you mean by that, sir? [REPLY] Well, that's a different thing. [REPLY] No, the whole world is running short of US dollars, but Great Britain is also finding out that the world is running short of pound sterling, not only US dollars. What was the total world trade before the war? It was only $25 billion a year -- total world trade of the world. United States never exported in peacetime more than 4% of its total production. It did in wartime. In 1918, it succeeded in exporting 10%. In 1942-44, during World War II, we never reached 10% of our total production, because our productive capacity had increased to such an extent that we were unable to export 10% of our total production with Lend-Lease and export trade combined. We couldn't even <u>give</u> enough away around the world to make our total shipments equal 10% of our total production.

Now how in the devil do you expect we're going to get sufficient dollars abroad to nations when we couldn't even give it away before we gave them dollars? Very simple. [REPLY] Interest rate on some investments are less than that. You want to continue this any more on foreign ....? Have you got your answer?

[QUESTION] Is it feasible to alter the present structure of Grand Coulee Dam? Yes, you could, but you'd have to let the water out, put an additional vee on top of it. You couldn't increase the height of Boulder Dam because that's a different type of design. It's cheaper to build a new Boulder Dam downriver, put in all your powerhouses on the one side, and when you got it ready to run, just blow the top off Boulder Dam and let it stay down there as a monument under the nice, clear, beautiful water of a new and greater Lake Mead.

[QUESTION] I haven't the slightest idea what the Russians think of Technocracy. I don't speak Russian. I don't know Russian, never having been there, and we never receive any mail from there. [REPLY] No, I think that's some of that bad whiskey you've been selling in the state liquor stores.

.... and you'll find it in the literature that all citizens of United States or Canada are eligible for membership in Technocracy except those elected to political office. It's clear. If you'll read the literature, you'll find it there. You don't have to come and ask me about it.

.... states. In Mexico, yes. A citizen of Canada isn't eligible for membership in Technocracy in United States or a citizen of United States isn't eligible in Canada. Read your By-Laws; you'll find it in there.

[QUESTION] You can circularize the labor unions with Technocracy literature, but don't ask us to direct the strategy, if you please. Correct? I'm speaking of total conscription. That doesn't prevent you from circulating Technocracy literature anytime, anyplace, but you're mixing it up with total conscription, aren't you? You're asking for another reprint of total conscription. Is that what you ....?

NO, THE QUESTION I WOULD LIKE TO ASK IS: ISN'T IT TIME WE SHOULD START WORKING ON THE LABOR UNIONS FOR [TIME]?

Now that's an entirely different matter. Why, certainly, go right ahead. Any labor union and all labor unions, any one that you're a member of and those that you aren't a member of.

What about the Taft-Hartley Bill? It is identical, in purpose and intent, as the legislation introduced by Hitler into the Reichstag -- the same type of a fascist move. They'll smack up your labor organizations, and they'll smack up something else.

[QUESTION] Well, we have a very interesting development in the east. We have one of the largest unions and one of the largest corporations of its kind on this continent where the union and the management jointly sponsor meetings of Technocracy on the assembly floor. Now you see Technocracy's strategy with labor unions is entirely different than the Communist Party. We at no time will go in and attempt to take over the union or control it. We're not interested in running a labor union or a business corporation. We're only and solely interested in running Technocracy. Let's understand that! But if the labor union wants to come into Technocracy, they may do so. They can hold their labor union meetings in their labor union hall, and when they meet here, they'll meet as Technocrats.

Just a minute. Therefore, you'll find the president, secretary, and treasurer, and vice president of the union signing the letter, and the union holding meetings in the union halls on Technocracy. How do you like that? Why not? We'll get them educated by and by. Now if we can get management and union to use their industrial plants in which they'll jointly sponsor meetings of Technocracy, then management wants to know how many they can sign up. They can sign up anybody in their Technocracy local of that plant who is operating -- not stockholders. You understand? Is it clear to you what we mean?

Just as we have in a certain city in the east -- we have a considerable number of the members in the police force, one of the largest police forces in the country. There's a considerable Roman Catholic bloc in there and a considerable Masonic bloc in the police force, but you know the only time they meet on a real basis is when they meet on Technocracy in the Section; and we find we have no trouble with it. Outside, up until now, they seemed to have some slight difference between each other. A peculiar organization, isn't it, when it can make two antithetical propositions such as that agree to function in this organization to do something about it?

Just as I said the other night, you know, His Holiness can't talk with God anymore, because God only spoke Russian. Well, of course, you can expect almost any day that His Holiness may want to go to Moscow and consult with St. Joe.

[QUESTION] Well, you know the mileage and the roads. It's quite a while since I've been down to Tijuana. If you don't get lost in that gambling joint down there with those chiquitas, I think you'll probably be able to do it.

[QUESTION] I don't know anything about such operations, and neither do you. That's orders. Fair enough? Well, see that you act accordingly.

[QUESTION] Engineering view? What do you mean by that? The flying wing, after all, is propelled by a turboprop jet -- different propellors, you know. They don't make a noise. And the jet provides 25% of the propulsion even when it's operating the prop, and you can use the full

jet for takeoff or higher altitude. Does that .... [REPLY] Well, there's probably some men here in aviation who could tell you what that is.

[QUESTION] Do we still consider it a Technate as what? [REPLY] In order to have a defensible unit, you've got to have an economic organism with which to operate, because the concept of military defense or military offense is overboard years ago. Unless you have a technological operation unit, it's not worth defending. Doesn't make any difference whether you have flying missiles or atomic bombs, you still have to have a technological organism. A contiguous continentalism enables you to operate in this technological day and age. Otherwise, you have really nothing to defend and no real base from which to conduct an offensive. [REPLY] Now they have no fortifications in Alaska. Quit kidding me. We've just got a lot of defunct bases up there that you're turning over to the Eskimos. [REPLY] Well, there's no sense in conscripting foot soldiers. The only sense is in conscripting everybody. If you read the article on total conscription in the INFANTRY JOURNAL a few months back, you'll find where the INFANTRY JOURNAL today is advocating total conscription, but it doesn't want the public of United States to know it.

[QUESTION (APPARENTLY ABOUT NIKOLA TESLA)] Yes, but then that's rather complicated. I knew the old man, a brilliant genius. He was a complete wreck -- used to come along in his later years and feed the pigeons. The father of all polyphase, AC circuits, and motors -- but what our system does to a genius that far ahead!

[QUESTION] The reason we're avoiding it is that United States has no allies but the noble Japanese, the noble Italians, the noble Bavarians, Wurdemburg, Baden East, Rhineland, and they're so noble they can't fight anymore. Did you see General MacArthur's statement that we will have to protect Japan from aggression for another two decades? Just out today. "Dugout" MacArthur. I see some of you served in the Pacific area.

THE QUESTION WE WANT TO KNOW ABOUT WAS OPERATION CONTINENTAL.

I said I didn't know anything about it and no one else should know anything about it, and that's orders! It doesn't exist. When it does, you'll get your instructions.

[QUESTION] Yes, wind driven is feasible. You have a big generator up in New Hampshire that Putnam put up. It's quite feasible, but you have to build a lot of towers to do it. There are a lot of things that are feasible. The question is the cost.

[QUESTION] Argentina? Well, it has some good wheat and corn land. It's good grazing country. It has a little oil at [Rivadavia] and some way down on the south end at Patagonia, tip end, but not much else. Of course, Argentina would like to take in Paraguay and Bolivia and Chile -- the old estates general of the Jesuit -- then it has sufficient territory and mineral resources.

[QUESTION] The businessman has to have time to ameliorate the recession. You can't expect the businessman to get prepared for things that quickly. He's got to have time to fix up this recession so it's good for the next depression.

[QUESTION] Atomic power for commercial use? What do you suppose all this battle in the United Nations is all about? The atomic power -- there's only one country today that could develop and use atomic power without upsetting its social system -- that's Russia. We only have to have about 15-16% more extraneous energy conversion. We don't even need atomic energy. All we have to do is increase our oil, coal, gas, and hydroelectric. We reached 180,000 kg cals in 1944. It doesn't take very much more. We don't even need the atomic energy. We only need a 15% increase in what we have and then we go to hell, too.

These atomic scientists are very funny, you know. Some of them came up to see us, and they said, "Mr. Scott, a hundred of us have been in Washington for several months now talking before the War Department, the Navy Department, and all kinds of committees, Congress and the Senate,

and we didn't get the proper publicity. We came to Technocracy here because we consider Technocracy as the greatest scientists in their field as we are in ours." Well, thank you, and why in hell didn't you come to see us first? "Well, could we have gotten publicity?" You certainly could, and you wouldn't have had to say a word. All that 100 atomic scientists needed to do was to turn up in grey -- that's all, brother, that's all.

It's so funny; they think that they can talk a Congressman or a Senator into understanding. Now even a scientist is dumb.

[QUESTION] Now you can read up on the technical details of that. It's just going to eliminate some more of the employees of the Western Union, that's all.

.... Well, your grey cloth will probably be out this year. We've had the first offer a month ago from the same company that made it last time, but you had to wait until they lost their war contract.

[QUESTION] No, there's enough in the rest of the Technate. We're just running short in United States. Go on and look at our highways on the Fourth of July. You have more idiots burning up gas trying to go nowhere -- hell-bent in all directions; and then when they get to where they think they ought to go, what do they do? They're only there a few hours or a day and they turn around and burn up the tires and gas going the other way again. No wonder you can't keep resources if you've got a nation of psychotics. In other words, their lovelife at home isn't good enough; so, they've got to wear themselves out going someplace where there isn't any. Well, I'll get down to telling you a right name in a minute.

[QUESTION] No, that wasn't .... the United Nations Commission proposed that the energy survey of Technocracy and that its technique and methods of analysis be adopted for the United Nations -- an energy survey of the world, but we're still a little bit too far ahead for the United Nations to catch up.

[QUESTION] Modernization of machinery? Well, there's so much going on -- there's never been so much modernization of technological equipment in history. There's the miners in Britain only doing from 0.7 to 1 ton per man per day. In United States, we're averaging 5.3 tons per man per day. Consolidated Coal No. 38 in West Virginia is shipping 70 tons per man per day from an underground mine working six hours and 20 minutes on the coal face; of course, that's still a long way from our process, which would mine 500 to 1,000 tons of coal per man per day. It wouldn't use any explosives -- simply a continuous long wall, 5,000 pounds of compressed air, continuous undercutting, continuous over and continuous automatic loading. You wouldn't have any miners. You'd only have a few skilled mechanics -- no sense in having miners.

[QUESTION] The high wages of what? Why have they gotten the high wages? Merely that they have John L. Lewis, who is an excellent tactician, and who is a good Republican; so, the Republicans are in, and he always plays with the side that he thinks can get him the most. He sees the handwriting on the wall of more machinery in coal mines, so he'd better get them an increase in wages now before they lose their jobs.

[QUESTION] No, we're not subversive. The FBI doesn't issue any statement on anything at any time. We have nothing to worry about. We don't run candidates. We don't support candidates. We don't even propose to take over this cockeyed lousy system. [REPLY: THE FBI HAS ....] You got it in writing? [REPLY] Why don't you send it in. I'd love to see it. [REPLY] Why, certainly, that's the FBI.

[QUESTION] The amount of gold that was purchased? [REPLY] I don't think I get your question, but I think I know what you mean. American deposits in British banks rose 460-some millions of pounds between the time of the knowledge of the gold devaluaton and when the gold was devaluated. In other words, gold was shipped abroad and came back at $35 an ounce, 460-some million pounds

sterling increase in American accounts in British banks. [REPLY] Who do you suppose gets the swank? Nobody that works for a living gets it. [REPLY] I wouldn't worry about that. If you only have to wait a couple of hours for things in your life, you'll be lucky. You don't know what happened to some of the equipment, but I do.

Maps of the Technate? Certainly, any time you order them.

[QUESTION] No, that's a written statement from the Civil Service. You've had photostats of that published in the magazines. Yes, go back and look for them. You'll find them -- just proving that Technocrats don't read their own literature.

WHEN WE BECOME A TECHNATE, WILL WE COOPERATE WITH THE UNITED NATIONS?

For heaven's sakes, what do you want in the United Nations for? You only need two nations on this globe, and if those two nations were agreed, all the bastard collection of the rest of them wouldn't make a damn bit of difference if they all agreed or disagreed. Don't you understand? Did you ever read "The Vultures of the Peace"?

The United Nations is a conspiracy to prevent the major victor of this war from maintaining her gain. Clear enough? Just as the Atlantic Charter was the greatest hoax ever perpetrated. It was perpetrated by Franklin D. Roosevelt and Winston Chucrhill .... the White House. He went in the press conference, and Roosevelt admitted it. It's in print. There's no statement, never was. There never had been an agreement, never had been a charter, never had been any notes on the thing, let alone signatures. Now look at all the jackasses across this continent that fell for it. And the Atlantic Charter was concocted as a nice piece of propaganda for the moronic public of this continent and the world in case Germany won. Here was the head of a belligerent nation making a deal with the head of a neutral nation on the high seas regarding the conduct and outcome of a war in which the head of a neutral nation was not engaged and in which the two greatest participants in that time were not there. What do you call that but underhanded flim-flamming on an international scale? No wonder it stinks to the Russians.

[QUESTION] Well, you're functioning now for that, but this is an educational-research organization conducting propaganda, if you like, for a Technate. That's all you can do about it. You can't do anything about the standard of living under this system. If you want your children to succeed under this system, don't send them to university -- send them to work under a good gangster. They'll succeed a damn sight quicker. Oh, I forgot, you haven't got any rackets in Seattle, have you? And you've even got a pavement on the skid row. Nobody likes to mention that in Seattle -- that's not the nice people.

You know there's only three kinds of women, don't you? Those that hold a card in the American Federation of Labor, those that hold one in the CIO, and those that don't hold any card at all. Those that hold a union card always hate the one that doesn't. Come on, can't I tease you about something?

[QUESTION] More industrialization, more installation of energy-consuming devices, and less man-hours. You're already laying off employees out here. You'll lay off a lot more in the next six months, don't worry. [REPLY] Sell them to the sucker.

[QUESTION] No, no more than anyone else. It doesn't make a darn bit of difference whether they did nor not. The same kind of thing, what are you operating on? Even if you got atomic bombs here, you still have to transport atomic bombs to the point where you wish them to be effective. What the Germans were near to doesn't matter anymore.

[QUESTION] It doesn't. Oh, before and during, we were the ones that discovered that the Japanese in California were going back and renewing their Imperial citizenship. So, it wasn't for this organization to spend its time worrying about whether the individual was Chinese or Japanese

or what he was. Four Tokyo Roses graduated from universities in California, you know. Charming people!

We have photographs of Japanese processions in San Joaquin Valley before the war, where hundreds of them were marching down carrying the Imperial Rising Sun, going down to the Shinto Temple to celebrate the birth of a new warrior for the Emperor. And the people on this coast were so damn dumb that they permitted it and you know it. [REPLY] Oh, yes, afterwards. I'm not objecting to their being Japanese, don't misunderstand me. You had the same thing on the east coast with Germans and others. We're such a nice, trusting people if somebody can make money and hand the money around. Nothing to do with their being Japanese -- it's just the foreign country.

Why, I even walked out of the Admiral of the Fleet's home on the Pacific Coast because he had 27 Japanese servants in 1941, and his major domo said, "Mr. Scott, I think you're mistaken." I said, "Don't be stupid. Give my regards to your superior, Takio Oharo, in Tokyo." They were arrested shortly afterward. I'm not talking about the Japanese as a race. I'm talking about the ones that were here that were working for something. You understand the difference?

[QUESTION ABOUT INTERNATIONAL BANKING] Oh, the International Bank is only a reflex of our banking here, so as to have the United States Government loan the taxpayers' money where the private banker won't take the risk, that's all. You're the one that's the International Bank, but you don't know it. Everybody is. It's your money. The other fellow loans it where he wouldn't loan his own. Homo Sapiensus Americansus -- mostly SAP.

Well, I think I've kept you about long enough, what do you think? No? You're willing to stay somewhat longer, are you? I warn you, I'm only beginning to wake up. You want to make some announcements? Well, you better come up here and make the announcements and let me have a smoke.

[THERE WAS ADDITIONAL DISCUSSION BUT THE RECORDING WAS ENTIRELY TOO INAUDIBLE TO TRANSCRIBE ANYTHING AT ALL.]

PUBLIC MEETING
WITH
HOWARD SCOTT
SEATTLE, WASHINGTON
JULY 29, 1947

World War I came to an end in November, 1918. It took ten years for the technological acceleration of this continent to catch up to all of the -- let's call it social boondoggling: installment buying, foreign loans, and the usual financial maneuvering. That ended in 1929. Most of you here went through the depression; you remember it. It took a decade to catch up to that technological acceleration of World War I.

Today-- we will not hit two years since V-J Day until August -- the United States and Canada have arrived in approximately the same position that it took ten years after the last war. This nation, of course, in World War II, was officially at war. Our armies -- our armed forces -- were out fighting the armed forces of fascism in the rest of the world, but our people at home, what were they doing? They had their snoot and all four feet in the greatest gravy trough of prosperity the world has ever seen. the only thing they regretted is that they didn't have two snoots and eight feet. They actually had the stupidity to believe that they could get rich by working. They're beginning to find out they were dumber than hell.

Naturally this system did not increase their hourly wages except in a few instances like aircraft and shipbuilding; but in the main, the hourly rates remained the same. The workers of United States were bribed by time-and-a-half and double time. They worked long hours. The process of bribery succeeded. We bribed the farmers; we bribed the businessman. We bribed the fruitgrower or the manufacturer. We just love to bribe each other. Every female ought to know what I'm talking about. Somebody laughing back there?

During the last twenty years, the process of government in this country has been a unique one. We resolved every problem, always from one compromise to an ever greater compromise. We succeeded by a continual process of capitalizing ever greater calamaties. Roosevelt capitalized all the calamities of this continent, and when he ran out of calamities on this continent, he got into the world's greatest calamity, World War II. Don't you remember those words in Boston, when he said, "I tell you again, again, and again -- none of your sons will serve overseas." You believed him and what did you get? You love to be deceived, don't you? And you were dumb enough to go down and put your ballot in the ballot box just the same. You didn't even have sense enough to get $2.00 for it. If you're married, you should have gotten $5.00 for it, plus transportation, because it's all you'll ever get for it.

During this war, you were given a sample of worldwide deception. On August 14, 1941, the head of a belligerent nation meets with the head of a neutral nation, Franklin D. Roosevelt, on a battleship several miles off the coast of this continent, and as a result of that meeting was perpetrated one of the greatest deceptions ever spread around the world: the Atlantic Charter. Wendell Willkie, the Republicans, the Democrats, the priests, and the ministers, the newspapers, the radio -- everybody acclaimed the Atlantic Charter as the great document of all time, the greatest document since the Magna Carta. The United States Treasury printed an immense number of illumined Atlantic Charters for distribution. Let me ask you: Where are those copies now? Where are those millions of copies of the Atlantic Charter that you taxpayers money paid for? Did they distribute them? They did not.

All because a newspaper photographer from Tennessee photographed the one under glass in the Smithsonian Institution and went over to the State Department to photograph the original, to find out there never was an original. There had never been even a scrap of paper. There were no signatures, there were not even notes on it. Franklin Delano Roosevelt admitted it in a press conference in the White House, and it was published; and yet the sucker public of United States swallowed it hook, line, and sinker. [A roaring noise starts offstage] Apparently I'm getting too strong for something behind me. Maybe it's Republican indigestion backstage.

It is a peculiar process. United States is unique amongst the countries of the world -- historically speaking, because the process of national management which we have here has graduated more low-grade morons into multimillionaires than all the rest of the world has done in history. Isn't that a wonderful achievement? Isn't it magnificent that you can claim that? You, who don't know where your next week's or next month's security is coming from? Your paycheck today is all eaten up by the high cost of food, rent .... Some of you are still naive enough to believe that and that in 1948, you're going to elect another, different one.

Only a few weeks ago, you have Hank Wallace .... well, Hank, of course, is out to liberalize the Democratic Party. Stassen is out to liberalize the Republican Party. Both of them propose the same thing, that the Democratic Party, according to Wallace's viewpoint, would be a nice party provided they were men of good intent and not a war party, and that United States would spend $15 to $20 billion a year for the next ten years abroad. Not on relief -- do not misunderstand me. That does not include food or medicines for foreign relief. It is simply shipping American purchasing power off this continent to foreign countries so that American business can reap greater profits than ever at the expense of the damn fool American taxpayer.

Stassen, of course, is a little more politically vague than Wallace. He doesn't state the exact figures. He only says 10 percent of our annual production. Well, that amounts to the same thing -- between $15 and $20 billion a year. McGraw-Hill publishes the same kind of editorial. Acheson's speeches follow the same line. In other words, the only thing an American can do today is send our purchasing power abroad. The only way you can really get anywhere is to be a refugee from your own country. Well, why not?

The papers and radio are filled with the so-called battle propaganda of the new foreign policy of United States. Well, let's review it. A foreign policy of a nation can only be the foreign extension of its own national policy, a reflex of the operational schedules of the national sovereignty. The question remains, have we a national policy internally in United States? And the answer is no. The only policy we've ever had is the policy of dog-eat-dog. There are only two classes of people in United States, regardless of creed, color, size, or classification: chiselers and suckers.

We have gone through the same process of deceiving the public of this country for the last 162 years. We have yet to liquidate nationally the fundamental causes of the Civil War. We have yet to liquidate the fundamental causes of the last depression. And now you have business in United States -- because it made so many billions out of the last war -- plotting how to start World War III, and a good many of the general public would like to have another war. Why, a lot of you know your friends and acquaintances never were so well off as they were during this last war, were they? And they were sorry when it stopped. Well, don't blame United States for stopping it! You don't like that, do you? Not that we didn't have our share of the dead and the dying and the wounded; we did. But the Russians did 85 percent of it in Europe.

The only reason we invaded Normandy in June, 1944, is a very simple reason: If we had delayed the invasion another eight months to a year, the Russians would have been on the Bay of Biscay. We used the same methods there that we've used at home. Nationally across this country today, everybody's got the jitters. The businessman has bigger inventories than ever. His taxes are rising, while on the part of the worker, his cost of living is rising, his hours are being reduced, and he, too, is facing a serious situation.

At the present rate of speed, the average small businessman cannot afford to stay in business. Six years ago, United States had the same number of farms as Japan. Today, we have 400,000 less farms than Japan. True, the Japanese farms average 2.3 acres in size. The farms of United States today average over 200 acres in size, but only 26 percent of our farms are really in the producing class. They produce 78 percent of our total production. All the rest of the little farmers don't matter except as subsistence units.

Our little manufacturing and our little business is the same way. There are more consolidations going on in every field. More modern technological equipment is being introduced, and those that have the capital naturally are going to introduce more technological equipment. To give you an idea, there's a plant just completed in Texas that has $2.5 million worth of installed equipment per employee. The only reason that it has any employees at all is because they can't control the rate of flow into the plant and out. If they could, they wouldn't have any employees. What's the sense of havng an employee anyway? You only have to pay them wages.

But, you see, the public here -- you really don't want to change. You're like Henry Wallace or Stassen or Green or Murray. You want a little bit larger piece of the same pie. But you want this same cockeyed, lousy system to go on. We're bringing it home to you, quite frankly, that you've only got a little while longer to run.

In 1929, after the collapse of the Credit Anstalt in Austria and other institutions, the depression set in. There was a worldwide collapse of values, but at that time there was a British imperialism, a Dutch, a French, Belgian, and others that were operating mechanisms around the globe. True, people were unemployed but still those operating mechanisms were intact. Today there is no longer any British colonial imperialism in any operating condition. Neither is the Dutch or the French. They're gone and they're not coming back.

United States is out on the end of a limb. We are the sole representative of that great, great thing: free enterprise. It's so free that most of you haven't got any of it, but you go on hollering that you don't want to be disturbed. Now, yes, we're the richest nation on earth financially. There are $130 billion on deposit in our financial institutions, the greatest amount ever known; that is, individual deposits. But 78 percent of the $130 billion is held by less than 26 percent of the depositors. It doesn't leave very much for the other 84 percent. Our corporations have more cash than ever before in history. They have $70 billion.

Now, if you belong in the category where you don't need to work and you can live on your cash, then you shouldn't be here tonight, because you're a particular class of American. You're the louse that loused the situation up. This has naturally led the country, because it has made so many billions, to believe that the top 10 percent of United States was entitled to go on making more billions at the expense of the other 90 percent, because it was your money, your taxes, that ran every business in United States during the war. <u>You</u> are the government of the people. You paid for it. The surplus of $102 billion worth of goods that <u>you</u> paid for -- did you get them? You did like hell! They <u>sold</u> them to you after you had paid for them. Nothing so dumb as he who falls for the same bait twice.

This country at the top is going reactionary, going reactionary and going fascist. Maybe you don't like that term. We went out and fought fascism in World War II. Our armies -- armed forces -- of this country fought the armed forces of fascism, but never once did any statesman -- I don't know whether you could find anything like that in United States, but so-called political leader never advocated making war on fascism or the destruction of fascism. Not one single time did any one of our political leaders or financial leaders advocate that the United States declare war on fascism. Don't you remember out of this port and out of the other ports of the Pacific Coast when business was making fat profits out of shipping scrap steel, petroleum, lumber, and wood pulp to Japan? You remember when the scrap steel went out of this port and every other port on this coast. You remember in 1940 when the United States shipped from this coast 22,734,000 barrels of petroleum to Japan, and our Marines, our soldiers, found that same petroleum in the original cans on every island that they captured across the Pacific. It was <u>damn good business financing fascism.</u>

In 1934, speaking across the platforms of this country, the speaker of this evening said then, "Mrs. America, don't squawk when your son is killed with a Pennsylvania coal car, a Ford rearend, and a 6th Avenue El, because when it comes back to you, lady, they won't be Japanese bouquets!"

That was 1934. Technocracy is proud of its record. We published the figures every year of what was being shipped to Spain, Italy, Germany, and Japan. Can you say the same thing for the Bank of America, the General Motors, or the United States Steel, or any other corporation in the United States? No, you cannot.

Cap Reiber, who was Chairman of the Board of the Texas Oil, brought in Dr. Westermach, the Legationirach of Hitler, and had him in a Texas Oil residence in Westchester; of course, they fired Cap Reiber from the Chairmanship of the Board of the Texas Oil. He wouldn't have had anything to do, would he, with shipping oil to Spain, Italy, and Germany? Oh, no.

Bob Hague, with the Standard Oil, was making so much money that he accumulated a 26-story apartment house shipping oil to the same sources. What I'm trying to point out to you is that business in United States, Canada, Great Britain, and France financed fascism around the world, and it was damn good business financing it; and when you could no longer finance it, they financed this country to fight fascism to have even better business. Tough, isn't it?

Back in 1917, the Russian Czaristic Empire collapsed in March. The Bolshevik took over after a succession of political upheavals. On December 23, 1917, Great Britain and United States, in Paris, formed and signed the Franco-British Partitione, in which Russia was to be divided up amongst the western powers. Poland was to have the territory up to and including Moscow. The British were to have Estonia, Latvia, and the Baltic Provinces. The French were to have the Krivoi Rog, the Don, and Sevastopol. The British were to have the oil of Baku, Maikop, and Grozny. Very lovely people!

In April, 1918, the Honorable Winston Churchill and his consul sent General Poole of the British Army and 20,000 British and landed them at the Norwegian port of Narvik and sent them overland by the Karano Electric Railroad into Northern Finland. At the same time, General Rudiger von der Goltz of the Germany Army landed at Hango in South Finland with 30,000 crack German veterans. Remember, this is 1918. The 30,000 Germans under General Rudiger von der Goltz, the 20,000 British under General Poole, and the British fleet in Murmansk all operated under the same joint command to overthrow the Finnish Republic, while the British and Germans were, along with the French and Americans, still fighting each other on the western front. You don't like this and you don't believe it? Look it up in your Encyclopaedia Britannica. It is all there. It is, every word I've used.

A Cordon Sanitaire was drawn up on paper. That Cordon Sanitaire ran from Finland to Turkey. It was the concoction of Great Britain, France, Italy, the Vatican, United States, and Japan. That Cordon Sanitaire was composed of Finland, Estonia, Latvia, Lithuania, Poland, Rumania, and others. Behind that Cordon Sanitaire, behind that geographical barrier, fascism was permitted to grow. Today, ladies and gentlemen, there is no Cordon Sanitaire. The Russians have made it a Cordon Rouge. Remember that the entire countries of the western world were in the conspiracy of the Cordon Sanitaire. They hoped to stop Bolshevism. They failed. They created fascism, and fascism went down to defeat.

Now, President Truman proposes to have a Cordon Sanitaire created around the world by United States alone. All the countries of Western Europe couldn't make Cordon Sanitaire No. 1 stick. Are we stupid enough to believe that we, all by ourselves, can make Cordon Sanitaire No. 2 a reality? It is rather difficult for us Americans to understand either history or geography, because the last time we ever took any lessons in geography is when we were 11-1/2 years old. Don't laugh. That's the last time you had any geography. You don't even know your own state, let alone the other 47, or any other part of the world; but you're smart as hell individually.

Individually, we're the smartest people on earth; collectively, we're dumb. So here we're being asked to vote billions to go out and stop a mythical thing some 6,000 to 8,000 miles from here. We have the so-called liberal-right deviations of Wallace and Stassen. They're proposing a similar thing. You will notice that all of our political leaders -- none of them are proposing

anything for United States -- none of them for this continent. It's all somewhere else. It's all to fight some mythical totalitarianism or communism; of course, they never propose to fight fascism, do they? Not one.

Pacelli came over here and made the deal with Roosevelt, and Roosevelt got the biggest majority in history in 1936. Well, he's not in the same position today. The head of the Vatican State, His Holiness, the Pope, as a political leader is one thing; as a religious leader, another. Of course, as a religious leader, he claims to be the Vicar of Christ and talk directly to God. That probably was correct in times past but is no longer correct. He can't talk to God any more because God only speaks Russian.

You're filled up with fears of war. Every few days somebody springs a new one on atom bombs or long-range planes or that we've got to stop somebody or other. Great Britain and United States have poured $1.2 billion into Greece, exclusive of this new $400 million loan, and it still hasn't rectified anything in Greece. We've poured several billions into China backing up the corrupt and semi-fascistic Kuomintang government of Chiang Kai-shek; and where is Chiang Kai-shek's government going? Well, UN dollars of the Kuomintang government of China today are 56,000 UN dollars to one US dollar. It's like that old herpicide ad, you know, that used to hang in the barber shops, the three of them with the head in the comb -- going, going, gone. It won't be long.

Do you think you're going to have a great revival of foreign trade when most of the nations of Europe have nationalized their foreign trade -- Czechoslovakia, Poland, Finland, Yugoslavia, Bulgaria, Rumania, Holland, Greece, Norway, France, and Great Britain? The British Empire isn't what it was. You know the flag always followed the trade outward bound until the sun never set on the British Empire. The same process goes on today: the flag is following the trade homeward bound. India goes out August 15th; the Burmese Republic will be next. In Upper Malaya, they're abandoning the rubber estates. They're getting out because they damn well have to.

The white man's day in the Orient is about over, and you'll have a series of new republics in which the Asiatic exploitation of Asiatics will be more ruthless than the white man's exploitation ever dreamed of being. We taught 'em how.

Well, Henry Luce and LIFE MAGAZINE have advocated the American Century. United States is going to revive itself by exporting billions abroad -- water closets and bathtubs for the Chinese. I don't hear a smile or a laugh. My heavens, how would the Chinese grow their food if you sent them water closets? The successful Chinese farmer is he who builds a Chick Sale Emporium out on his road, and if he can find enough Standard Oil cans to flatten out to make a roof to give a little shade, he'll get the greatest repository. Some of you know China, I see. In United States, we're intelligent. Oh, we're more intelligent than the Chinese. We have water closets and sewer systems. We're clean, sanitary people. We just run our sewer system into the lakes, the rivers, and the harbors.

It's the same thing no matter what you're dealing in. We want to send American goods to the Middle African. Well, before you can export the products of a technological civilization, you have to bring the particular area that you wish to export to up to a similar energy conversion; otherwise, they cannot use the products. It takes roads to have automobiles. It takes power plants to use lights and electric irons and toasters. You can go on. United States can't save itself by trying to kid the rest of the world and kid itself at the same time.

Our salvation lies right here on this continent and not 10,000 miles somewhere else. United States is running out of certain resources. I'm speaking now of continental United States. We have fought the last major war in our history with the hematite ore resources of the Mesabi Range. There's not enough high-grade ore left there to fight another of equal consumption with World War II. Our zinc, lead, copper, and petroleum are in declining critical condition, and yet we want to ship oil around the world. I don't know whether you realize it, but United States today is importing more oil than it exports, but it is still trying to sell oil for the lamps of China while it rations the oil in 12 middle western states. Aren't we lovely people? We have the

missionary complex that we want to put diapers on the negroes in Timbuktu -- anything, so long as it's 6,000 miles off this continent, but you haven't got guts enough to send missionaries to your own country.

If the salvation you're preaching abroad is really what you say it is, then it should be applied here first before you get so damn philanthropic and magnanimous about it. You know it, but you vote for the next political candidate with that same smug serenity -- you've done your duty! Wonderful, isn't it?

Well now, since Franklin Delano Roosevelt has gone to Jesus and Truman has joined the Republicans, almost anything can happen. I'm being very nice with you, I assure you. I haven't really gotten dirty yet at all. I'm just getting warmed up.

What does our country face? So long as this Price System of ours can pay out sufficient wages and salaries and dividends so as to create an annual purchasing power each year to purchase the total output, everything is lovely. But in order to put out sufficient purchasing power to purchase the technological output of this country, we would have each year to create sufficient new debt in the capital goods industry to pay out an annual sum of salaries and wages equal to or greater than the capital dragdown in the consumer goods field. That would necessitate an annual expansion of the entire economy of 7 percent. The only time that we can assure any modicum of purchasing power or stability at all is when we're at war.

During this war we mobilized 14 million able-bodied Americans and we spent $300 billion for the purposes of destruction; and, yet, the public in United States, the most enlightened public in the world, hasn't sufficient initiative to get up off those posteriors and organize <u>their</u> country to spend an <u>equal</u> amount and mobilize an <u>equal</u> number for the constructive purposes of the general welfare and common good of the people of this continent. No, if you can get a new refrigerator and a new gadget and can go out and buy a few beers come Saturday night, it's not too difficult then.

How many of you in this audience tonight hold a union card? Come on, put up your hands. Let's see it. Well, that's quite a likely number. Every one of you that holds a union card is suspect. Do you realize it? I don't think you do. You're suspect. Every citizen of this country that holds a union card is suspect by the fascist clique now running this country. The Taft-Hartley Labor bill is exactly the same kind of legislation that was introduced into the Reichstag by Hitler. In other words, you'll suppress the labor organizations, throw out the 47,000 communists in United States, that's all. A great menace, aren't they, in 140 million people? But they will break up all the other organizations. Everybody with an idea will be suspect, and if you hold a union labor card, whether you have an idea or not, you're suspect. So, you might as well get a card in the most revolutionary organization on earth. If you're going to be hung, you might as well be hung for a sheep as a lamb.

You've got to realize what you're facing. Of course, Technocracy has a cure for people like Taft and Hartley and others. We call it the "Technocracy water cure"; namely, a high colonic of sufficient hydrostatic pressure to blow their ears off. They haven't anything behind the ears anyway. Someone has a sense of humor. They think I'm dirtier than I am. I was only referring to a purely sanitary measure, I assure you.

You've got to realize what you're facing. Business in United States and big politics are definitely reactionary. They're developing all the fascist symptoms. Your labor organization -- that's only one -- then they start on the others. They're going to ask you to vote for nice solid citizens next year to be president. Wallace has ambitions; so has Stassen; so has Dewey; so has Truman. Do you think that electing anybody into the present politico-economic system of United States would cure it? You think electing anybody or any party would guarantee economic security so long as you have this existing economic system? If you do, you're psychotic. You love to

be fooled, don't you. Well, we have one advantage the others haven't got: you can't elect Howard Scott to political office; he won't let you. He doesn't want to occupy the White House. The White House is Early Americana. Let's build another one.

You know the Great Seal of United States? If you have a dollar bill in your pocket, take it out and look at it. There are two sides to the Great Seal. One of them that is in use has the predatory bird, the eagle, on it. The other side, of course, is equally legal and authorized for use, but it isn't used on any documents. It has the Great Pyramid and the all-seeing eye and the words in Latin: Annuit Coeptis - Novus Ordo Seclorum -- Time Makes Way for a New Order of the Ages. You've got it on the Great Seal of United States -- the side you never use. You use the one with the predatory bird on it, as Benjamin Franklin said. Let's turn over the Great Seal of United States and use the right side of it!

Now, do any of you think that your children are going to succeed in the next decade as farmers unless you have 10,000 acres to start with? Do you think that your children are going to succeed as small businessmen? Now if you had any sense, you wouldn't send your children to college or university if you thought this system was going to last. Just send them out and operate under a good gangster. That's a proper education to get if you're going to live in this system. For heaven's sakes, don't try to get them cultured or intelligent. Al Capone never went to school, and it didn't make any difference if Dewey did. He didn't accumulate much.

Now do you honestly think that a person of limited means, of average means, is going to succeed in the next decade? At what? What are you going to succeed at? Are you going to witness another depression? Not right away, but soon. What are you going to do in the next depression -- go on relief or WPA? Most of you in this audience or any other audience across this country have only your two weeks' salary -- maybe a month. In fact, you're only ten days away from the WPA if you lose your job in this land of the free and the home of the brave. The richest country on earth and you haven't any security longer than 30 days. Isn't it wonderful? And yet you listen to Bob Hope, the Arkansas Traveler, and all the others, and at least you can escape from reality, can't you? You can go to the football games, the baseball games, the dog races or the horse races, and you will have an escape.

United States has more commercialized escapisms than all the rest of the world. It's no wonder we have so many psychos in our armed forces, and no wonder we have so many more in our population. You see them on the streets of our cities -- they go around talking to themselves. Well, but the businessman, he's reached the point to where he can't even talk to himself. But you still want to let somebody else do it. You still think that if you cast your ballot once in four years you don't have to pay any more attention to national affairs than that.

Technocracy is trying to bring to your attention an entirely different viewpoint. You, as part of the citizens of the State of Washington, remember, permitted the Grand Coulee Dam to be built to its present height. You never protested it. Your newspapers today and your radio are advocating further Columbia River development. Do you take any position on it? No.

Grand Coulee was allowed to be built to a maximum water elevation of 1,288 -- a finished roadway height of 1,310. Technocracy wanted Grand Coulee to be built to a maximum water elevation of 1,420 and a roadway of 1,450. That would have backed the water up beyond the Canadian Pacific Railway bridge at Revelstoke, BC. .... required 640,000 horsepower to pump the water up on the plateau, and it would have generated an additional one million kw. There would have been 350 miles of deep water transportation north of the dam. With double hydraulic lift locks, you could lift 60,000-ton units -- five minutes for every hundred feet of lift; not water locks -- hydraulic lifts. Do you have any vision of the Columbia? No.

The Columbia can be made a transcontinental waterway via the South Clark and the Missouri. But what do you do? The MVA proposes a Missouri Valley Authority, the Bureau of Reclamation for

the Missouri River, and it got it distributed so it covers the maximum number of political districts in every state that the Missouri River touches from St. Louis to the Three Forks. When completed, it would provide -- create -- only 51,000 additional new farms of 90 acres each. What a lousy little concept.

Technocracy proposes a 22-foot waterway from the Mississippi via the Missouri crossing at Elliston, Montana, into the South Clark and the Pend Oreille and into the Columbia. It can be done, with more mainline storage than the Bureau of Reclamation ever dreamed of. The concepts have got to be continental in size and scope. They can no longer be stopped by state lines or counties.

The Central Valley of California is a similar thing. Each little group, each little bloc, is playing for its own selfish little advantage. They want water to grow more lettuce or more cabbage -- the thick heads -- as if that were the great thing. They fail to see its continental scope at all. We have 3,070 counties in United States in the 48 sovereign states of this confederate union of ours. We have 19,000 police forces, 1.7 million retail outlets, and 5.4 million farms.

Do any of you think [A SHARP, LOUD EXPLOSION OCCURS] .... The shooting is already started. Here we are promised more jobs, better jobs, higher profits for the businessman, better prices for the farmer; in fact, we're promised nearly everything.

President Truman goes on the air today and speaks of the number of <u>rights</u> that we have: the right to a job, the right to work, the right to a home, the right to vote, the right to freedom. Sure, you've <u>always</u> had the rights. Every human being always has had rights all down history; and what the hell good are rights unless you've got the cash to buy it. Yes, you've got a right to a home -- every veteran has a right to a home, but, brother, unless you've got ten grand, your right isn't any good.

To show you how stupid businessmen are collectively, look at the billions they borrowed for real estate subdivisions for the building of homes. They were going to provide homes under private enterprise for the returned veteran. There are 3,400 brand new homes all equipped -- deep freeze, refrigerator, stoves, everything else, in New York areas. They can't sell them. There are hundreds around Dallas, Texas; Boston; Philadelphia; Detroit -- the same way. Why, the homes run from $9,990 to $18,000. The carrying charge is from $80 a month to $104 a month. Well, if you're going to carry a house like that, you've got to earn $125 a week-- only 92 percent of the adults of United States earn less than $5,000 a year. So, the great, smart businessmen of this country -- our financial institutions -- started in on a grand speculative building, building houses for six percent of the population that already had enough money and had houses to begin with. And yet when they put up a candidate, you go down and vote for him. You love to be fooled again.

We're here to tell you that if you go into another depression, you'll have 25 to 30 million unemployed in the next one, and if you do, you can play a new national anthem and it's one you all know. It's an American one: "Get along Little Dogie, Get Along, 'cause you're Headin' for the Laaaaaast Roundup."

Do you think the returned soldier is going to like being on relief? Or do you think you who are not on relief can support those who will be? Do you think your number will be great enough? Let's see what modern technology is doing to that. Production is increasing; man-hours are declining. Production is rising and so are wage rates per hour, but the wage <u>take</u> per week is declining due to the decline in man-hours worked per week in spite of two pay raises. The steel industry of United States reached its peak in November and December, 1944, in the war with 460,000 employees working an average of 45.7 hours a week. An average take-home pay of $56 and some cents. Today the steel industry is producing more steel than it did then, but it's only working 34.6 hours a week, 4.62 million man-hours less a week. The pay average is only slightly over $41 in spite of two pay raises for the entire steel industry. Remember, the steelworkers union thought they were going to get rich. Those boys that have been in the army know that old song: "You're in the Army now, you can't get rich ....." Well, none of you were in the army; you're all in the navy, I suppose.

You have a paper company up this Pacific Coast -- not so many miles from here -- which is spending $13,500,000 on expansion and new equipment -- not building -- which pays wages beyond the union scale, which has better sick benefits, insurance, holidays, and other employee relations programs than any company in the pulp and paper industry. It's true -- they do. It will be completed next month or in August; of course, the speeds will be up around 1,400 to 1,600 instead of the old 680, 740, and 800. They'll produce 2-1/2 times the amount of paper they did in 1941, but they'll only have 42 percent of the employees left. Naturally they can afford to be magnanimous when you wipe out 58 percent of your employees. This is the trend all down the line.

In textiles, the new looms coming out, which will be out shortly, and, incidentally, Technocrat engineers are working on most of them, there are several prototypes. There are five different types of the flatbed and three or four of the rotaries. They operate without shuttles; they're vibrationless; they don't have to be attached to the floor. You can bring them into the office and you can't hear them. The rotary, of course, does a six-foot diameter sleeve -- not knitted, woven, only twenty feet wide. It will revolutionize the textile industry with more production and less employment, and, under private enterprise, more profit to the employer -- so long as he lasts.

I wonder if you realize that war is the only salvation -- temporary one -- for American business? If it doesn't go to war abroad, it will have its own war here. You don't think things are serious, do you, until they hit you. Well, they <u>are</u> serious across the country; and, of course, many of our calamity howlers would like us to drop atom bombs on Russia, as if that were curing anything at all.

They forget the Russians could be in the Dardenelles in about 2 hours and 40 minutes, Hamburg and the Keil Canal in 10, and the Po River in twice as much; but if the Red Army moves into North Italy, there will be 15 million Italian Roman Catholics who will move south of Bologna. The Russians won't have to take the rest of Italy; they'll eat each other. If the Red Army moves into Bavaria, there will be 30-some million who will move west -- and you speak of the parable of the biblical locusts -- thirty-some million Germans moving west. United States wouldn't have any place to go either.

So, we better get prepared to face a serious internal condition. If you believe in private enterprise and this political party system -- not two political parties -- there aren't any. There's only one, and there only has been one in years in this country. The Republicans and the Democrats smell alike. The only thing that distinguishes them is, in the case of the Democrat the jackass asininity, compared to the bovine moronity, but they smell alike.

Now you have to be prepared for a fundamental change. You still want to have little farms, little two-by-four stores? What do you think you are -- Chinese? Living with human toil and hand tools? Do you want to utilize science and technology and engineering, or do you want to run on a starvation level of human toil and hand tools? If you do, then shoot all the scientists, technologists, and engineers, and throw all your equipment in the ocean, and you'll damn well starve fast. Don't kid yourself. You can't run this country on human toil and hand tools; so, you had better organize yourself socially and politically to face the future -- not to elect a Wallace or a Dewey or a Vandenburg or a Truman, or a Stassen.

Do you want to have the same smell? But don't think that if you vote for another one, you're doing anything. You're not <u>organized</u> nationally to do anything except to express your opinion, to count noses. It doesn't make a cent's worth of difference how many noses you count. This is the same kind of system that went on for thousands of years. You're making your social decisions by resolving the conflict of human opinion into a common consensus of opinion. It's still opinion.

In this technological day and age, you have <u>no</u> right to decide the social operation of this continent as a matter of opinion when it <u>can</u> be determined as a matter of fact. We're trying to drive this home to you. We're not a political party. We do not run candidates. We do not support

candidates. We're trying as an educational-research organization to carry the message, the knowledge of the design of what this country and this continent can become under an efficient technological operation.

Abundance and security can be produced here and distributed to everyone, but it cannot be produced and distributed to everyone under the existing political system and under the existing fiscal and economic system. We don't kid you. We don't ask you to vote us into office. We're telling you what's going to happen. You may not like it as it is or you may be quite pleased with yourself.

I have hit you from a good many angles. I'd like you to ask me a lot of questions. Give me a little rest, and I'll try my best to answer your questions. Thank you.

CHAIRMAN: In just a very few moments, the speaker will be back to answer the questions that you have ready. So, I'm going to ask the ushers to get ready back there, and in just a moment they will come forward and pick up the questions that you have written out.

HOW COULD TECHNOCRACY TAKE OVER WITHOUT OVERTHROW OF THE GOVERNMENT?

Technocracy is a research-educational organization, non-sectarian, non-profit, non-political. It doesn't propose to take over anything. We have no assumption of power theory. It's up to <u>you</u> people to change your own government to suit your needs and requirements. <u>Understand that.</u> Technocracy is not going to take over anything.

WHY DO TECHNOCRATS, AS MEMBERS OF A RESEARCH-EDUCATIONAL ORGANIZATION, WEAR UNIFORMS, PATCHES, AND SO FORTH, AND GO IN FOR SALUTING?

That's very simple. Anyone will tell you that the retention of the human animal is proportional to the repetition. The more you see it, the more you retain it. Look at yourselves when you get home tonight in the mirror. Look at the people you see on the street. When they come out of a church, about 15 minutes after it you can't tell the difference between a Christian and a Democrat. Now those who are representing the organization, we insist that they symbolize the ideas and the principles that they stand for. If they haven't got guts enough to do that, they're no damn good to us or to you either. What do you want -- a lot of Hollywood glamour girls? This color -- we adopted it years ago -- because south of the Mason-Dixon Line, it's grey enough so everybody remembers it. North of the Mason-Dixon Line, it's blue enough so that nobody knows what it is. We're proud of it. You can cross any boundary line on this continent. We're stretched out from coast-to-coast in Canada. We have units in Canada farther north than Fairbanks, Alaska. Brother, that's an achievement -- with no angels, no endowments, and no subsidies.

Our vehicles are grey, our planes are grey, our boats are grey. The United States Navy copied word for word, paragraph for paragraph, and comma for comma, our specifications in its wording. This is the lowest visibility color. Remember it in your navy release on their grey uniforms. The only trouble with the navy was it didn't make a cloth as good as this.

Now, it's not a military organization. What is it you're frightened of -- regimentation? Look how naive you are. If you had 10,000 babies in here tonight with diapers, they'd all have a uniform on, wouldn't they?

Men and women in this organization are proud to wear it, proud to drive a car. They don't have to be intelligent to beat you. All they have to do is drive an official painted car, and they can be deaf and dumb and you're curious. If you see two, you're perturbed -- maybe. If you see fifty, you're intrigued. If you see a thousand, brother, you join it!

WHAT IS THE FUNDAMENTAL DIFFERENCE BETWEEN A PLANNED SOCIAL ECONOMY AND THE SYSTEM YOU ADVOCATE?

Well, we had a planned social economy under Roosevelt. Now, of course, we're proceeding from the organized, planned economy to designed anarchy under Truman. What do you mean by planned economy? There never was one in this country. You can't have a blueprint for national housing. You've all got to build your own little rathole. Oh, you've all got modern, soundproof, air-conditioned houses? You live in them, do you? You can afford them, can you? Not unless you're running a racket or own a bank. There's quite a difference. Under Technocracy, for the first time in the social history of man, the contract of citizenship in this country would guarantee your economic security so long as you remain a citizen. You have no guarantee today of your economic security whatsoever. You do have the freedom to work, the freedom to pursue it, but you have no guarantee you're going to get anything. Why, you even have to buy an insurance policy so you're worth more dead than you are alive!

Under a Technate, there would be no insurance policies, because every citizen under his contract of citizenship would be guaranteed against disease, accident, old age, ordisability, without exception to race, creed, kind, or color. And only citizens could live and work in this country -- understand that. Visitors from foreign countries would be the guests of this continent, but no one would be permitted to live and work here except citizens. They must be citizens.

HOW LONG DO YOU THINK THIS PRESENT SYSTEM CAN FUNCTION?

Whoever is asking that is looking for business information when to sell short.

WOULD A TECHNATE BE A DICTATORSHIP OF ENGINEERS?

You just love to be browbeaten, don't you? Do you think with all the installed horsepower we have on this continent that any individual or group of individuals can dictate the physical operation of that equipment? In other words, you change the laws of mechanics, of physics, of chemistry, at will? My heavens, wake up. It's a degradation of energy on this continent into use forms and services, and it's those physical laws which dictate -- not the individual. Technocracy is proposing a production and distribution of abundance to everyone on four hours a day, four days a week, for twenty years of service. See if you can match that under your Democrats or Republicans.

ARE YOU CONNECTED OR ASSOCIATED WITH COMMUNISM?

In Russia, the only so-called example of a government supposedly operating under Communist principles, they have state banks, savings accounts, bank deposits. The state corporations have stock. The stock is deposited in the state bank. They have bonds like you buy here -- government bonds. In other words, it's a Price System in Russia exactly as it is here with one difference: here it is privately owned and there it is state owned. The Russians have collective farms. The collective farms average 2,500 acres each, and each worker on a collective farm has a little plot of ground, a little house, a little shed. He also, besides working as an employee of the state collective farm, raises a few pigs and chickens and vegetables and sells those as a private trader either to the collective or in the outside market. Now, 2,500 acres with our technological equipment, that's all right for Communist Russia, but for heaven's sakes, let's get a technological design. Technocracy's agrotechnological units are 25 miles by 25 miles -- 400,000 acres in a unit. What the hell have we got to imitate Russia for?

Oh, we're not deprecating the Russians. Communism is sufficiently radical and revolutionary for the Old World. They still have alternatives in Europe. There is no alternative on this continent. Either you have a technological organization and a redesign of all production and distribution of social functioning on this continent or you have chaos. We of Technocracy consider Communism so far to the right that it's bourgeois.

If you're going to have social change on this continent, don't imitate anyplace else. Let's develop our own. We don't have to borrow from anyplace on the globe. We've got the ability here. We've got the technological knowledge. We have the technological equipment. The only thing we lack is the will to accomplish it. So, let's develop a strategy that is as unidirectional for this country and this continent as the Russian strategy is for Russia.

HOW DO YOU THINK TECHNOCRACY CAN BE MADE EFFECTIVE WHEN FASCISTS AND COMMUNISTS ARE WORKING FOR CONTROL?

Well, the Communists aren't fighting for control in this country because there isn't enough of them. But Fascists, yes. The public of United States thinks it can be apathetic and take no position. We're trying to get you to see that you'll have to organize yourselves. An organization of a labor union isn't enough. And we wouldn't insult you by asking you to organize to put somebody in political office under this system. You may insult yourself, but we won't insult you that much.

ARE NEGROES AND JAPANESE-AMERICANS ALLOWED TO JOIN TECHNOCRACY?

Any citizen of United States is eligible for membership in Technocracy <u>except</u> those elected to political office. Fair enough?

WHAT IS TECHNOCRACY'S FOREIGN POLICY?

Well, I have to be humorous right here, ladies and gentlemen. I think the most efficacious thing we could do at the present moment is can the businessmen of United States and export them to the foreign cannibal market. They'd poison the cannibals and we'd be rid of the businessmen. Kind of tough on the cannibals.

It's very simple. There are only two contiguous continentalisms. The U.S.S.R. is a contiguous continentalism by accident. This continent, the continent of North America, the Technate, will have to become a contiguous continentalism by intention and design. The only way you can compete with the one contiguous continentalism is to have an equal to or a greater than contiguous continentalism. Russia, the U.S.S.R., is 8,200,000 square miles. The proposed Technate of North America is 10,300,000 square miles of land area -- 2,000,000 greater.

Now, all this talk of war, no matter what one may think of the Russians -- I don't speak Russian -- I don't know them. I'm only speaking from the data that geologically from the standpoint of land area, climate, and resources, this continent and the U.S.S.R. dominate the resource position of the globe; and if Russia, the U.S.S.R., and this continent were a defensive and offensive alliance for the preservation of peace, all the rest of the world couldn't make war if they wanted to.

Under a Technate, we would have no interest in sending our troops or our warships to finagle some foreign territory for the benefit of a bunch of American chiselers. We would make this continent the finest place in the world to live, and the rest of the world could learn from our example here. We would export methods and specifications of continental operation that would be worth something to the world instead of the dollar diplomacy and the dollar goods that we're trying to shove down the throats of the Chinese, the Rumanian, the Italians, and the French or anybody else.

HOW DO YOU PROPOSE TO BRING ABOUT THE CHANGE FROM THE PRESENT SYSTEM WITHOUT VOTING OUT THE OLD SYSTEM?

That's up to you. You can vote it out, you can add a 22nd Amendment to the Constitution, you can have it nice and peaceful, provided it's done as an organized, disciplined, sane proposition; but if you wait until the posterior gets kicked back of your ears, you won't have time and you'll have mob violence, and it <u>won't</u> be nice. <u>We</u> of Technocracy don't propose to do it. We're merely

pointing out that you as the public have to do it. We're not up here posing as a great leader condescending to impart information. We're not intellectual liberals, you know, who spend all of their time acquiring the erudition of the higher institutions of learning in order to make up their minds to decide to decide not to decide. So, the job is yours. It's your choice. It's the choice of all the little people of this continent. You have a choice of becoming big people for the first time in history.

I AM BUYING A HOUSE ON THE GI BILL. WHAT ARE MY CHANCES OF PAYING FOR IT OR WILL I LIKELY LOSE IT?

Depends on how long you hold your job, unless you married a girl that can support you. Of course, the question is today -- even if it is sanctified and legalized -- whether you're really married on less than $6,000 a year. In New York, I'd raise the ante. If it's less than $4,000 a year, you're really living in sin, because it's an economic state you can't maintain. Of course, when both the husband and wife work, that's being very democratic, isn't it? You both help to bring in the income. In that case, if you both lose your jobs, it's a hell of a mess, isn't it? So, if this GI who asked the question, if he loses his job, does he expect the bank that holds the mortgage to give him the house free under this system? The government didn't guarantee him a house, did it? It only said he had the right to buy one. You got the right, brother. Just hang onto your rights.

HOW ARE WE ASSURED OF A TECHNATE AND NOT A DICTATORSHIP IF WE SHOULD HAVE TOTAL CONSCRIPTION?

Dictatorship in a technological day and age -- see, it's still decision by opinion, whether it's the opinion of one or a hundred million. What do you do? You just count noses. In the case of the dictatorship, it's one nose. In the case of 140 million, it's more noses. Both are stupid. If you change the economic system to where no individual can acquire economic power, where no individual is permitted the private ownership of public property but every individual is guaranteed the private ownership of private property, that's quite a little difference. Most people wouldn't like that, though, because you wouldn't be able to control the production of wheat or cotton or coal or oil or anything else. That would be public property. In other words, you could raise roses if you enjoyed roses, your own books in your home, etc., but you couldn't control the economic processes of this continent. If there is no private ownership and there is no political representation but there is a governance of function, you can't have dictatorship, because for the first time in history, those who would originate legislation must also execute it. Congress and the Senate never did that in history. They only legislate, and then let the poor sap out here try to operate.

DO WE HAVE ANY REASON TO FEAR RUSSIA?

That's some more propaganda that the Russians are going to come over here. Why should they? They're not as dumb as we are. We're proposing to go over there. Do you think the Russians want to take Italy? Are any of you stupid enough to think that? What's Italy got that anybody would want to take it? No, we're the ones that have got all the deficit areas. The Russians in Korea have the largest square mileage. We have the smallest. The Russians have 192 Korean population per square mile; we have 514. Aren't we wonderful?

Remember in the last days of war in Europe when the Flemsburg Radio was broadcasting every minute of the day, telling the retreating Germans to continue to fight the Russians but retire and surrender to the British and Americans? They did. The Russians said they're all yours, brother, you have them. We've got them today. Who's dumb -- the Russians? Huh-uh. Homo Sapiensus Americansus, mostly SAP.

Come on. Do you think the Russians want to take China? We'll tell you how much they want to take. They don't want a line running beyond, say, twice gun range of their 240-mm. or 300-mm. self-loading gun south of Pushan, Pushin, Keiping, and Tatung. Do you know your geography? You don't. That line runs just north of Peking. The Russians wouldn't take the rest of China as a

gift, and if we had any sense, we wouldn't either. Now what lies along that line? One place I mentioned is near Mukta. The other is westward in Yeho. The other is still farther west, and Tatung is the most extreme west. Along that line lies the great coal deposits; south of that line, China has no coal. That line runs just north of Peking. Would they take the rest of China? No, they'll give it to us so we can send missionaries out to help out our business boys.

Right now we have Japan. Japan without the Kuriles, Southern Sakhalin, Korea, Manchuria, Inner Mongolia, and North China hasn't the resources. Japan has two high-cost coal deposits. It has more than sufficient copper. It has excellent pine forestation, fish, seed pearls, camphor, and a highly developed hydroelectric power. Ninety-nine percent of all the hydroelectric is developed in Japan. She has only one percent left to develop. Japan's population is increasing at one million net a year. Who's dumb?

India's population is increasing at 50 million every 10 years or 5 times as much. Down in Puerto Rico -- and the United States, remember, they're citizens -- the Puerto Ricans have a birth rate of 43 per 1,000, 12 points higher than Japan. When we took Puerto Rico from the Spanish, they had slightly less than a million. Now they have over two million. We'd better wake up.

Here we are trying to support the deficit areas of the globe. Do you think we have the resources to underwrite American profitable business abroad by shipping our goods and shipping them sufficient money to buy it? Do you? We even haven't got the resources to carry it out. The Truman Policy is now being modified by the Marshall Policy, and the Marshall Policy will have the same failures as the Truman one. Realize what we're up against.

CAN THE AMERICAN POLITICAL STRUCTURE SURVIVE THE NEXT MAJOR DEPRESSION?

Well, what do you think after this? Do you think we have any statesmanship? What do we do when we advertise a political candidate? Take Willkie or Dewey; we show photographs of them in LIFE -- pages. They'd be out kissing the baby, you know, talking to the railroad worker, and then he finally winds up on the farm patting the horse or sitting on the stoop with the neighbors next door. Well, what's the propaganda about? It's to make the political candidate look exactly like the man that lives next door to you. Well, you know the guy next door. You know him. The sap isn't any better than you are, and that's who you want to run the country? Isn't it magnifique? Isn't that wonderful? You put an escrow Indian or a lawyer or a mining promoter like Herbert Hoover -- not an engineer, a mining promoter. He never was an engineer but you elect him. Shades of Herbert Hoover, the Keiping Coal; same Keiping Coal today the United States Marines have just evacuated. You better read up on it. It's very interesting.

WHAT CAN I DO TO BETTER THE CONDITIONS IN AMERICA?

That all depends on how long you think this system is going to last. If you've got sufficient capital, dig in; dig a hole and pull the hole in after you. If you haven't, you better get organized.

I'd like to ask all of you a question. Those of you who realize that we have to do something in this country, not as individuals by themselves, but only as individuals collectively organized. How many of you are willing to give your time and effort above that of making a living in doing something for this country as an organized body? How many of you have got the initiative? Come on, let me have your hands, have a showdown here of who's going to do what. Now, if you're really interested and really take some action -- now we don't want you if you're going to backslide and be a Republican or a Democrat. If you're that dumb, for heaven's sakes, get the hell out. Those of you who put up your hands, if you really meant what you said, well, come on up here. There's no politics in Technocracy. Nobody is making any money out of it. You've seen a Grey Fleet out here roll up from Los Angeles. They're only part of what's in Los Angeles. The cars are owned individually; they're the members' own cars. They paid their own money to drive the cars. But if this has surprised you here, I would suggest that when the next time it rolls through here, it will be 50 times this size. I want to invite all of those who are interested in helping to organize a new America to come up here and put their efforts in this organization. If you put up your hand and meant it, come on, move up and let's start it. Thank you.

MEMBERSHIP MEETING
HOWARD SCOTT
CLEVELAND, OHIO
1950

GAP IN TAPE

.... one of the first at the time of -- the question of the Treaty of Brest-Litovsk, you see, was up for discussion, and Trotsky, of course, was for urging world revolution. There was an American spoke on that platform -- John Reed -- and he made a very emotional and enthusiastic speech. There was, of course, steady snowfall -- snow was piling up -- and as he ended his speech he was going toward the wings. Finally, right at the wings, he throws up his hands -- he's going to organize the workers of the world to fight the Germans. Lenin was over there at one side, and he said, "Tovarisch, you've forgotten your overshoes." So, I have them on.

I've been bothered with a virus infection of the sinus that just burns, that's all, if nothing else. I've been fighting it. You have have noticed it last night. Probably by the time I get back to Detroit, I'll either be worse or better.

The thing I'm trying to get over to all of you is that the present change is a change in the direction of an American Fascism. Let's have that clearly understood. Now you analyze all the factors and what? You get the same symptoms showing up that you had in Europe. You have what? The widespread attack on anything that is an idea that differs from the traditional, conventional, any expression of criticism of things as they are is right away labeled what?

Now, you see Technocracy happens to be in a unique position. I've tried to drill it into you down the years. We're an American organization. We've never borrowed anything from abroad. Our ideology is purely the creation here in this country. We didn't borrow any ideological components from anyplace else. Our intellectual forefather, if you want to use that term, is Willard Gibbs, the great thermodynamicist.

We never had any affiliation or contacts with any of the elements that are behind the eight ball today. Back in the early thirties, we had requests from various organizations like the Windrow out in Kansas, the Duetschbund, the White Camellias, and the Silver Shirts -- you can name a lot of them -- for permission to reprint and use our literature. We wrote them all letters denying them that privilege on the basis that we were opposed to their concepts and their methods. When they were apprehended in 1942 and 1943, naturally the FBI found our letter paper in their files, preceding them, of course, by some 6-7-8 years. They were very curious why, for instance, we brought charges against a graduate of Harvard, a PhD and a prominent attorney, in 1935. He was dismissed from this organization. Of course, he's serving 30 years for sedition, but we dismissed him in 1935. They caught up to him in 1942. There are a number of others. Naturally, Washington was quite curious as to why we made the ruling back in '32, '33, '34, and '35. There's our signed correspondence to prove it, which they picked up when they seized the records of these organizations. We're not on any subversive list, and to get us on one, you have to have a trial. Do you realize that? A court trial. You can't have a ruling. It would have to go to the United States Supreme Court. I would love it. A lot of other people wouldn't.

So here is a picture of our background. Remember we started this battle back in World War I. I was one of a group who was called upon to design plants and equipment for the war industries of World War I. My rating was a war-necessary technologist. I was exempt because of that rating. We were asked to design plants from sulphuric acid plants, cordite plants, almost every kind of plant, but there were a lot of things that stuck in our crop.

We were asked to produce 3 million saddles and 3 million bridles, when there were only 22,000 horses in the armed forces of United States. Well, we naturally were curious, and we called for a recheck -- wasn't there something wrong? Mind you, this was not for foreign orders.

This was for consumption within the United States. And the astounding reply came back that we better stick to our own business and remember that saddles deteriorated faster in storage than they did on a horse's back.

Yes, in one plant we built 1,550 one-ton electric furnaces -- not 50 -- 1,550 one-ton electric furnaces. Well, material in World War I -- they only got a glimpse of the chiseling techniques which they have, let's say, perfected in World War II. We were in on the ground floor. There were hundreds of thousands and millions of arms parts, rifles, machine guns, 75 mm. Well, where were they?

When our forces went abroad, did we have the Springfield rifle? A good rifle at that time. We couldn't equip our forces with them. We had to buy the Enfields back from the British that we'd made over here and sold to the British. The 75s, of which the country was littered, part of the breach blocks were here, here, and here; the barrels were here, here, and here all over. The carriages were in a half dozen other places. They just never got together. So we bought the 75s from the French Government. You could go on down the list -- thousands, tens of thousands, of items in which the same thing happened.

Colonel Buxton Going was in charge of the entire ordnance and made a general. He had been a prominent engineer, and, in fact, he was Editor-in-Chief of THE ENGINEERING RECORD for some years prior to that. He threw up the job in utter disgust. He had it all organized. He had competent men in every division office, and when the financial boys came in, they dismissed every man, rearranged every office and put in whom? Anybody that knew anything about the technology of the production of arms? Oh, no, if he did, fire him, get him out of there; but if he had a financial rating, cush, brother, how much do you want?

Yes, I had men. Most of the men that were working under me were years older than I was. Why, the Public Service Commissioner of the Commonwealth of Massachusetts was moved under me. We had one big plant where you had the operating staff -- remember, the plant was not yet built, but the operating staff, especially the operating police, and higher officials were already there drawing their salaries.

Well, who was appointed general superintendent of one of the greatest plants of its kind? Why, he's Park Commissioner of New York. Yes. And who was Chief-of-Police of the operating police, understand? Well, he was a sergeant. He had been on the Aqueduct Police in the New York Aqueduct, New York Water Works. He had to get out of the State of New York because of the slush fund under Piroy Mitchell. You remember the scandal? There was a warrant out for him, but he was Chief-of-Police of the operating police.

It was rich. Now this occurred what -- in one place in United States? Oh, no. It occurred in various states like that all over. Well, remember that Wilson was elected to keep us out of the war, wasn't he? Remember that? And he was inaugurated, that is, they used to be inaugurated later, you know. So he took us into the war right after he got inaugurated the second time, didn't he? So when any of our national leaders profess that they're for peace, look out!

Now the great purchasing for the allies was done through Morgan & Company, and Morgan & Company would buy, for instance, in Chicago, all the terrific supplies of foodstuffs: meat, wheat, corn, everything else. And they'd pay for it by issuing Board of Trade Certificates. The Board of Trade Certificates were sent to the seller. The seller, of course, merely took them to his bank. He received currency from the bank, but the Board of Trade Certificate called for payment in gold. Out along the Long Island Railroad of New York, for miles on both sides, the goods were piled up. As bad as it was in Great Britain in World War II, where the joke was if they put six more shiploads in, the island would sink. The highways of Britain were piled, hundreds of miles, in fields alongside.

Well, when those Board of Trade Certificates got up to where they went into the billions, United States had to validate those Board of Trade Certificates. So, if we hadn't gone to war for one reason, we would have gone to war for any one of a thousand other reasons. You had to validate because, once again demonstrating that, regardless of the political party label, Democrats or Republicans, chiseling business dominates the party label.

We went to war in 1917 to validate the Board of Trade Certificates; of course, that wasn't the reason the public was told. We went to war to "make the world safe for Democracy," didn't we? Well, we didn't make it safe for anything, and after Germany was defeated, let's review the process. What happened? We turned around with the Young Plan and the Dawes Plan, didn't we? And we poured money into Germany to revive Germany and Austria-Hungary, and when it got sufficiently revived, we sunk the Weimar Republic and Bruning became Chancellor of Germany. Bruning was head of the Catholic Centrist Party, and Bruning dissolved the Catholic Centrist Party of Germany to make way for Hitler.

Remember this organization kept hollering about the sale of scrap. Do you remember my statement? I believe it's been used by thousands of publications all over the world: "Mrs. America, don't squawk when your son is killed with a Pennsylvania coal car, a Ford rearend, or the 6th Avenue El, because when the bouquets come back, it won't be nice. They will not be Japanese flowers."

We exported our scrap to Japan, to Italy, to Germany, and we gave the same buildup. Why? Because it was good business. Let's get that clear. I was having dinner in an apartment in New York before Pearl Harbor, and I was having a discussion with the owner of that apartment building--a penthouse apartment--and his wife said, "Bob, he's correct. Why don't you quit it?" He said, "Chris, you know better than that. You can't quit a million dollars a year." His name was Bob Hague--no relation to Hague the political boss--but chief of transportation of the Standard Oil. Now he and Cap Reber, who was chairman of the Board of the Texas Oil--let's get this clear--were running oil and high octane gasoline to Italy, Spain, and the Azores, and they were being paid for it in tankers built in Voss & Blum in Germany.

Texas Oil flew--even after 1939, while the British naval blockade was on--they flew ships' crews by air to Sweden, put them aboard the completed brand new tankers, and those tankers ran the British Navy blockade to Bayonne, New Jersey. Those boys got a huge bonus for bringing in the brand new German-built tankers. They were supplying the oil. They supplied it in 1936 to Franco, and they built up the oil reserves of Germany and Italy so much so, and it was so bad that in 1941 Cap Reber--I accidentally came in contact with him and he had had a few drinks, and he said, "What the hell are you going, you damn Technocrat?" I said, "Well, Reber, that's no way to talk. You've had it pretty good." "Well," he says, "if you were smart, you'd do the same thing." "The trouble with you," he said, "you've got ideas." I said, "Well, maybe you're right." But I said, "I wouldn't get tough if I were you." "Oh," he said, "what are you going to do?" "Maybe we'll see."

I went out and telephoned the owner of our biggest newspaper and I said, "Do you want a break? A real one--only don't send a man over. Come over yourself and bring your top political man with you." He started to argue about it. "How big a break is it?" "Well," I said, "it's front page around the world. Say yes or no; don't wait for it." He came over, and he said, "What is it?" I said, "Hitler's Legationrach is here in United States living in a Texas Oil house and has two Texas Oil cars with chauffeurs. Do you want it or don't you?" He said, "Yes, let's have it." The lid blew off. Captain Reber, Chairman of the Board of the Texas Oil, lost his job in 48 hours. It was too lousy raw.

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came out with the nice little item that the largest tanker in the world, the French Sheherezade, left Port Arthur, Texas, with so many hundred thousand barrels of high octane gasoline, the State Department said, "That wasn't correct. That's for Spain, that Spain had a permit for truck and bus gasoline." We pointed out that the clearance and the Harbormaster in Port Arthur, Texas -- it was high octane, not truck gasoline; in other words, if you're going to lie, get all the boys to be consistent about it.

Now you had various factors like that building up all over. In Pearl Harbor, we had an intelligence, and the intelligence division was functioning. United States has had a unique genius in the matter of cryptography on codes, and the Japanese codes--diplomatic, naval, military, maritime, and commercial--had all been decoded, and the position of Japanese maritime ships, merchant fleet, and naval vessels was located on the map every day where they were. Two weeks before Pearl Harbor, almost three weeks, G2 was ordered to cease and desist the plotting of the position of Japanese ships. Rome, London, Berlin, and Washington all expected the Japanese code message to come through to read: "NORTH WIND RAIN." That would have meant a Japanese attack on Vladivostok and Manchuria. Instead of that, it came through: "EAST WIND RAIN," East being United States.

Now, two days before Pearl Harbor, a Japanese submarine was sunk outside and yet the booms were wide open to the harbor nevertheless. There was nobody on the what do you call the listening devices? [Inaudible reply] Yeah. They weren't manned. The Navy mostly had been given leave, hadn't it? And by accident, one private goes up to one and another man goes up to another one, by accident, not by orders. They were deserted and it was reported. Of course, the Navy took over one portion of the patrol--the air patrol. The Air Corps took the other. But one comes off duty at 7:00 and doesn't inform the other that there's no patrol out, and there they are, all lined up at Hickam Field with the gas in them and the munitions in the guns and the high octane gasoline tanks were under the concrete of the officers' tennis court. Did it get hit? Right on the button!

Remember we came out and protested the construction of the fortifications in Hawaii under that particular contractor? And what were they using? Japanese cement. We gave the number of bags if you go back and hunt it up. We haven't been arrested for libel. They don't even touch us. They use dirtier methods. You've seen some of them around here four years ago, didn't you?

Now a similar set of conditions is coming up. Japan was defeated. You're equipping Japan--no Young Plan or Dawes Plan. No, it's a different plan today, isn't it? Italy and Germany the same way. Bear in mind that Eisenhower and the British signed the Italian surrender in Spain before a United States soldier landed in Italy. The boys who were wounded and died in Italy, they didn't know that -- or the ones who lived.

Of course, you come up to a thing like the Rapido. You have the German bunkers on the other side. We don't even lay down an artillery barrage. We order our troops to cross the Rapido without any artillery support at all. No wonder the Texas Division wants to shoot Eisenhower. Well, Mark Clark is notorious for it. Of course, Mark Clark was one of the boys in on the original dirty work. He went ashore from the submarines in North Africa with those millions of dollars in gold to bribe the Darlan crowd. Well, he poured out so much that Darlan wasn't in on it. You see? So Darlan hops over to Africa to cut himself in. Why not? He cut himself in so much, they bumped him off.

Now the same kind of a fabric is being woven today. What are you doing? Anybody in your schools or your labor unions or anyplace else--the few Reds there are in United States are insignificant--but they're doing the same fascist technique as they did in Europe. What was the game? To kill off anybody with initiative, anybody with an idea, anybody you could classify as progressive or liberal or semi-intelligent.

Remember they did it in Europe for several centuries under the term, "The Inquisition." Didn't matter whether you were or you were not. If you were charged under the Inquisition, it was sufficient. You fought a Hundred Years' War in Europe. You fought a Thirty Years' War as the result of the religious schismatic conflict of one trying to dominate the other. And up until the Treaty of Westphalia .... TAPE ENDED HERE.

TELECON -- 1951
HOWARD SCOTT
R. D. 12349

GREETINGS, CHIEF. This is Donald Bruce speaking.

Hello, Donald.

WE HAVE A VERY GOOD REPRESENTATION FROM WASHINGTON AND B. C. POINTS HERE TONIGHT.

Well, that's fine.

WE'RE WONDERING HOW THINGS ARE WITH YOU PERSONALLY, CHIEF.

Well, I wish to transmit my felicitations and greetings to the representatives attending the British Columbian and Washington Area Conference and especially to 12349 -- members and officers, their hosts on this occasion. Personally, my health is excellent. My weight is as usual -- 215, and I do not believe that my height has altered appreciably.

WELL, THAT'S FINE. WE'D JUST LIKE TO ASK YOU A FEW QUESTIONS, CHIEF, IF YOU DON'T MIND.

Go right ahead.

HOW DO YOU EVALUATE THE PRESENT ECONOMIC SITUATION ON THIS CONTINENT, PARTICULARLY WITH RESPECT TO PRODUCTION CAPACITIES, INVENTORY, EMPLOYMENT, AND PURCHASING POWER OF THE PEOPLE?

Well, to sum it up quite briefly: United States and Canada are not as yet war economies. They are armament economies. And due to the fact that the deficiency in national purchasing power in United States in 1950 was approximately 25 percent of the gross national product, it will be interesting to note that our war budget is just $1 billion over that 25 percent, being that our gross national product was $280 billion approximately last year -- estimated. Now, naturally, inflation is going ahead without any real brakes being put on. There will be more of it. That, of course, is heading into a more serious situation.

Our national inventories are in excess of $64 billion at the present moment. So-called employment is at an all-time high. For instance, capacity of the automotive industry ran for a week or so at a rate of 10 million passenger cars per annum; and last year, of course, it produced approximately 6.3 million passenger cars and yet only scrapped 2.3 million, or a scrap of only 5 and a fraction percent of those cars in use. It is quite obvious to any student that as our capacity increases, the disparity between consumer purchasing power and actual production -- if the production is maintained -- will continue.

The interesting part about all this is that scarcity is being enforced in consumer goods by the instrumentality of armament production. Am I making that clear?

YES. WHAT DO YOU THINK OF THE RECENT TRENDS ABROAD, CHIEF?

The trends abroad are very interesting. It is quite obvious from reports that the Germans are not interested, the Western Germans, in becoming cannon fodder in a new war. The same appears also true of Britain, France, and probably Norway and Holland. The Italians, of course, do not wish to fight. They wish to supply materials. I believe that there is something similar in the Canadian situation, is there not?

YES.

Of course, the most interesting thing at the moment is the impasse that is not being very much discussed; namely, the nationalization of oil in Iran. Iraq, of course, is not yet signed up for any long term, while the Saudi Arabia -- Aramco has forced through a 50 percent of the net profits and an increase in the royalties and a percentage of the reserve. So the American and foreign oil companies are really going to manage the properties, let us say, for the Arab nationalists. These are very important things, because United States is no longer a net exporter of oil; it is an importer of oil, and Western Europe could not fight a war with the oil of Iran excluded from Western European consumption, because a Mustang or Thunderbolt fighter in World War II that consumed 60 gallons of .... [CONNECTION INTERRUPTED]

I'M AWFULLY SORRY, CHIEF. WE GOT CUT OFF AND YOU WERE JUST TALKING ABOUT THE MUSTANG?

That was the last?

YES, THAT'S THE LAST WE GOT HERE.

Well, I was merely pointing out that the Mustang fighter in World War II consumed between 50 and 60 gallons of fuel an hour, while the same jet fighter today of comparable size consumes 260 gallons per hour; therefore, the fuel requirements are greatly amplified.

Another thing about the trends in Europe is that Europe today -- Western Europe -- her total production is in excess of 30 percent greater than prewar, while her resource consumption -- due to increased capacity -- is 50 percent greater than prewar. So, any further increase in resource consuming capacity necessitated by additional equipment for rearmament will aggravate an already aggravated situation, causing further pressure -- inflationary pressures -- and allocations in world markets if the resources can be found. I think that answers that one.

YES. WHAT ARE THE PROBABILITIES FOR WAR AGAINST RUSSIA?

For war against Russia? Well, I would say they're extremely doubtful unless it can be managed from countries outside of Russia. Russia doesn't need a war. It hasn't the inflationary pressures that exist here, and the dirtiest thing the Russians could do to us, of course, here on this continent, is to leave us strictly alone. Of course, the propaganda/that the Russians would bomb the Greater New York Area with atom bombs, but it's doubtful that even the Russians are that stupid or crazy, because the greater metropolitan area of New York has a population of around 12 to 14 million, and there's a greater density of social and economic parasites in that area than there is in any area on earth. Therefore, it would be more advantageous to the Russians to allow the parasites to boll weevil it than to drop a bomb on the metropolitan area.

SO IF WE DON'T GET A WAR, WE'LL GET A DEPRESSION. WILL WE?

Well, that is the great fear. The hope of business today is that we get some kind of a war -- any kind of a war; in fact, a limited war of unlimited duration is what they're seeking. Now some years ago, remember that I wrote an editorial advising a declaration of war against the greatest area on earth: the Pacific Ocean? I think that should be reread today.

YES. HOW ARE CONDITIONS IN THE ORGANIZATION?

I think that they're the most promising in years. The organization is beginning to realize that our long-time strategy and knowledge hasn't missed any bets. I'm delighted with the way things are going.

AND WHAT PROGRESS IS BEING MADE WITH THE EXPANSION PROGRAM?

Well, we lost out on one purchase offer -- not through our fault, but to factors beyond our

control. We made an offer, but there were too many parties involved and a foreign owner. Then the real estate boom, of course, is quite crazy down here at the present time. So we have several other things in mind if this does not mature, and we have sufficient cash to meet most of it. There will be a report made sometime later on the financial report on that fund.

WHAT SHOULD BE OUR IMMEDIATE OBJECTIVE?

I think the immediate objective of the organization should be to enlarge our scope, bring in more members and start our Farads all over again. After all, you ought to remember that, because I think you were practically one at one time, weren't you?

YES, I SURE WAS.

Well, I wish I was out there to join you in this conference, but ....

WE HOPE YOU CAN MAKE IT SOME TIME NOT TOO FAR DISTANT.

I'm hoping to be able to do it this year.

GOOD.

And give my regards to everyone at the conference.

WOULD IT BE POSSIBLE TO SUPPLY THIS TALK TO OTHER SECTIONS?

That will be quite all right; only send us a copy if you can so we can play it back here.

FINE. WELL, THIS HAS BEEN A REAL BOOST TO ALL THE ASSEMBLED MEMBERS, CHIEF, AND WE WILL BE STIMULATED TO WORK EVEN HARDER.

Salute to everyone.

THANK YOU VERY MUCH.

Thank you, Donald.

MEMBERSHIP MEETING
WITH
HOWARD SCOTT
8141-15 -- CLEVELAND
1951

This organization of ours has a very interesting background -- whether it's known in part or in whole to any or all of you is a question. We're unique in the history of organizations in the world. We happen to be the only organization in United States and in Canada that covers this continent that is not a political party and is not a charitable, welfare organization, a political or a business racket. We haven't a single angel or endowment from large and special interests. What we have done, we have done from the nickels, dimes, quarters, and a few dollars -- fives here and there -- from our members.

The farthest north group in Technocracy today is Kotzebue, Alaska. In case you don't know where Kotzebue is, when you go home, look it up on the map. You'll find that it's north of Nome, practically on the Arctic Ocean. They're up there engaged in, let's say, confidential work for the United States Government. That's all I can tell you.

We have members in Hawaii, Sidney. Nova Scotia is reporting a fair growth. You can't expect those codfish down there to suddenly wake up, you know. Bluenoses they call them in that part of the world. And we have a few members here and there down in Venezuela and Panama.

Before the war, in 1932, '33, and '34, there was the Deutche Technocratische Geschellshaft in Germany with some of the outstanding .... a very interesting group of Dutch scientists and engineers. They lasted, of course, until 1940 when the German Fascist troops invaded Holland.

There was a chap who ran as alderman in the City of Brussels and later for the Champ de Depute of Belgium, and according to TIME MAGAZINE, he scored move votes -- polled more votes -- than the Rexist Fascist Degrelle, which is very interesting.

In France, there is a Movement de la Van Dammes, which today has two newspapers, radio programs. We don't care what they call it off this continent. They can call it Technocracy or an abundance movement, or a Come-to-Jesus movement if they want. That's their privilege, because they're not connected with us as an organization; but if they wish to use Technocracy as a body of thought and its literature, they're perfectly privileged to do so.

Of course, in Italy, Mussolini -- just before he, let's say, corroborated the Rooseveltian statement of the "stab in the back", arrested 26 scientists and engineers for advocating Technocrazia Italia, and they were sentenced to ten years confino. They were liberated by the Allied troops when the Allied troops liberated Lipari. They were returned to North Africa. Unfortunately, they were not soldiers and prisoners of war. They were released political prisoners, and, therefore, as trained scientists and engineers, they had no standing in the war.

The Norwegian Teshnisha Octe Bolaga, that, too, was extinguished by German Fascism, but there are signs of life.

Way out in Indonesia, the interview with the American press of the Premier of the Indonesian Republic, he stated the other day that what the Indonesians wanted -- when some smart American newspaperman asked him if the Indonesians weren't slightly indolent, that they were charged by the Dutch with being lazy -- he said, "No, they're not lazy. They merely don't see any sense in work. What we want out here is what you call Technocracy in United States." After all, it seems that the Indonesians weren't so dumb.

We have sent literature out there. We're sending literature to various places, not that we want any affiliation. If they want to start something any place in the world, they're quite welcome to start it. They can go it on their own. Here, as you know, we have no affiliation with anyone, and we have no political axe to grind.

As we stated in our first issue of TECHNOCRACY magazine, we would never appeal to the population of United States, this country or this continent to indulge in either bullets or ballots -- do you remember? Well, we've gone a long way since then, and a lot of you who have been ridiculed by your friends and associates, remember they said, "Oh, no, it won't occur in your lifetime." Well, whose lifetime?

There was a time in 1920 when you could have said that if you didn't expect to live another forty years, but we're in the amazing situation today: something that has never happened before in history and never will happen again. One thing about a balloon, you know, the more pressure you put in and the more gas you pump in -- there is a limit, though -- and there is a limit to what we can do, the powers that be, with this economy of ours.

We have installed more machinery, more equipment, and more technology, and we have increased our productive capacity, but kindly bear this in mind -- there are other countries whose percentage increase in their productive capacity in the last ten years have far exceeded the increase of United States. They are moving up percentage-wise. True, their total volume is not as great as ours, but their acceleration is greater.

Our propaganda -- you've been deluged with it -- all your neighbors and co-workers and associates have been deluged with it. You're suffering, nationally, from the dilemma of being in one of the greatest booms the world has ever known; yet at the same time, the nation is suffering from a national schizophrenia. We're scared to death of tomorrow, and we're scared to death we might find a "red" under the bed. Well, it isn't the actual Communist they're after. It's the same Fascist movement that went on in Europe; namely, to intimidate and submerge the, say, ten million people on the North American Continent who have an idea. The fifty-some-odd thousand Communists, members of the Communist Party, doesn't worry them. They never cut any ice. They never were a party that swung any political power in Congress. They never dominated any city or state in United States. Why, they even did better in Canada. They had one member up there in the Dominion House. Of course, you might say that the Canadians have always been a little more intelligent than we have down here; namely, there are less morons in Canada than there are in United States. The simple reason is there are less population.

I remember back in 1920-21, when Stuart Chase and a number of others that are well known today, thought there was going to be a revolution in these United States; and we objected to such an analysis and a verdict, because the concentration of technological equipment hadn't reached that degree of saturation. There was still sufficient latitude to which the system could manipulate. But today, it's another matter.

In 1929 and the early '30s, you heard the same cry. Now, the Marxian concept of social change is all right under certain conditions; namely, that the proletariat would rise in their wrath and overthrow the nobility and the bourgeoisie and install a dictatorship of the proletariat. The only thing amusing about that was that Lenin himself, while he preached Marxian revolutionary doctrines, committed every Marxian heresy on record, because they never organized the proletariat in Russia. How many were there in 1917? The total number of Bolshevik in January, 1917, in Czarist Russia were less than the number of Technocrats in United States, and to give you a comparison, there were 4,004 students at the Petrograd Conservatory of Music. There weren't 4,004 toolmakers in all Russia. They were good on the arts.

But here's an entirely different situation. You can't get the average American to consider anything until the march of events shoves his posterior slightly out of place. As long as he can have something to eat and he's on as good a basis as his neighbors, they may be a little bit squeezed; but then if his neighbors down the block or in the same church -- if they're sqeezed, too, "Well, we'll all do it together. I know it's kind of difficult, and so on, but ...."

Those of you who are in the steel industry, yes, you're enjoying a boom -- the automobile industry and the refrigerators. Well, there are 37 million passenger cars in United States. Sit

down with your pencil and see if you can determine statistically how many more passenger automobiles United States can operate -- not if the people pay for them but if they get them as a free gift. You know what's happening to your traffic in every city in the country, don't you? Can you have 15 million more on the roads? The City of New York and the City of Detroit are calling conferences this year to bar the passenger automobile from those two cities between 8:00 A.M. and 6:30 P.M. Charming, isn't it? The automobile leadership of the world. We've sold them, we've produced them, but we're so damn dumb we don't know how many to operate until it backs up and hits us.

In Europe, they've been forced to put in a ring traffic system years ago. Britain has it a number of places. They're putting in more of it, when you drive your car to the outer ring and then you take a public conveyance from there on in. Only doctors, nurses, and emergency can operate passenger cars within the city limits during the daylight hours.

So, it won't make the slightest bit of difference whether you have a Caillac, will it -- a Rolls Royce or even one of those little jitterbugs, you know? Wouldn't make any difference what you have. You'll still have to park them outside. Well, does it solve anything? No, it doesn't. It only temporarily stalls it.

Now, even if we increase installment buying and make it 30 years for you to pay for your automobile, that doesn't help. That merely opens the production wide open faster and you sink quicker. I would like to see them do it. Merely, it would make the end nearer and less painful.

Everyone knows the National Cash Register. That's abroad. That's one of the symbols of United States and Americanism. Well, today the National Cash Register has finally come to the end of the road -- I don't mean the monetary road. They have more money than they ever had; but there's one cash register today for every 32 human beings in United States. That's correct. Now, then, the annual report of the National Cash Register, what does it show? What percentage of their gross business is done in United States? Remember this is the symbol of Americanism, the cash register. Are cash registers the great production here? Oh, no. Sixty-four percent of the National Cash Register's gross is done by foreign owned subsidiaries abroad producing for what? For United States? Oh, no, to make foreigners the same dumb clucks as it did here. Now how much more can you saturate us here with -- cash registers? The answer is practically nothing. And if it hadn't been for their bookkeeping machines and other specialized machines which temporarily keep them stepped up in their production, they would have slid to a standstill some time ago.

The same thing is happening in other lines. General Motors, Ford, and others are now proposing to manufacture crankshafts, timing gears, and engine blocks in their plants abroad and bring them in. Those of you who have a CIO pension agreement in the automotive industry, it's going to be interesting, isn't it? Remember that your pension doesn't come into practice until you've worked there 25 years. Well, the joker in that is, if you've worked there 25 years, you're no damned good for anything afterwards. I mean, let's look at ourselves. And it isn't payable until when? How old have you got to be? Sixty-five, isn't it? Well, if you have 25 years before that, and you have to wait until 65, what's the use? Life may begin at 40 but it's wound up before that if you're going to wait for your pension.

How many of you bought bonds during the war -- just hold up your hands. I don't care the amount. Just how many. Nice collection of patriotic citizens. Oh, I know, it was shoved down your throat. How much do you think you lose on them? Now, wait a minute -- how much do you think you lose on them in purchasing power? The dollar that you bought them with is not the dollar you'll be paid in; but not over 34 cents, let's put it that way -- about 34 cents of the dollar that you'll be paid in compared to the dollar in purchasing power you paid for it. Wonderful, isn't it? Homo Sapiensus Americansus -- mostly SAP.

The same thing comes up in insurance policies. You can buy $10,000, $20,000 or $50,000 policies, but if it's going to take 15 to 20 years to come due, where is it going to take you? How many people here bought a home ten years ago or nine years ago and you still have it? Well,

if your home was built prior to that time, it was fairly substantial in the majority of cases, and you can get 2 to 2-1/2 times financially what you paid for it -- approximately -- isn't that correct? Well, but the joker in that is this: if you paid, say, $8,000 for it, well, you can get around $15-$16,000, but if you take the $15-$16,000 out that you would receive for the sale of it -- never mind the capital gains tax, of course, that would deprive you of something, because not having a corporation to do it for you, being an individual it exceeds the 25 percent surplus, doesn't it? So, they would take a little of it away from you there; but if you went out to buy a new structured home for the amount you received for this, you would find that the $16,000 had shrunk, because the house that it would buy for you wouldn't be anything like the cubic space that you had in the one you sold. You all know this. Now that's the condition that's climbing up all over the country, and because there's been increases in wages and increases in farm prices -- remember, our Congress the other day voted $2 billion more to the farm subsidy; so, this coming fiscal year, there will be $6 billion available to hold up the farm prices instead of $4 billion.

Copper, of course, has gone over 22 cents; steel scrap went to $48 -- No. 1 the other day -- $48 a ton, and we're buying back the scrap we dumped in Germany. We're also buying back the scrap we dumped in Japan and China. We let the Chinese cut up our war equipment and now they're selling it back to us. The German is doing the same thing. And yet, by and large, in any city across the country, the average American says, "Well, I'm busy. I'm doing so many hours or I'm doing so much business. Well, maybe it isn't quite as good as last year, but it's still pretty good." Well, is it? Speaking individually, yes, he may be a little more fortunate than somebody else, but collectively, how long is it going to last?

We have approximately 370,000 on the welfare rolls in the City of New York. Now, that's not unemployment compensation -- unemployment compensation is in addition to that. Here's the great City of New York with a million human beings -- remember, we're the most prosperous country in the world -- here's the greatest city in the world. Of course, if you go to Scranton, Pennsylvania, there are 26,000 adult workers that have no work. That's almost 17 percent of their working force in Scranton. And, of course, ex-Postmaster General Walker -- a few more -- they've gotten together with the AFL, the CIO, the mayor, the banks, and the business, and they want labor in Scranton to deduct so much an hour and the banks to put in so much and to start a new industry in Scranton to help out the unfortunate Americans, while we dump millions of billions abroad to help out the unfortunate of the world. We haven't got enough sense and guts to rectify our own unfortunates here at home.

Yes, we sell potatoes for a cent a bag to Germany and they can make money on the bags. Those burlap bags, you know, cost a few cents; so, if you -- yes, almost 11 cents a bag -- so, if you get them for a cent a bag -- the East Germans have a lot of alcohol plants -- so they'll put the potatoes in the alcohol plants, feed the mash to their cattle, and sell the burlap bags back to us for about 7 cents profit. The Russians aren't so dumb.

Now, we're a supposed welfare state, but the question is, whose welfare? Any of us that have what we think is a future to look forward to, what security have you? Well, you're never going to make enough at wages and salaries and small business to accumulate a financial security. There were Technocrats in this war and there were quite a few of them came through CHQ, highly trained men, $800 to $1,000 a month and all food, medical attention, transportation, and officers' clothes. And, of course, their wives were working for a few hundred a month, too. And they said, "Chief, if this only keeps up for a couple of years more, we'll make so much money we'll devote the rest of our lives to Technocracy," And I said, "Nuts." It's stupid; it <u>didn't</u> last. Why? Because the ordinary GI, who was working for $50 a month, was doing the work they were supervising and getting a thousand a month for. So, the dissension in the Army and Air Corps was so great, they had to send them back home. So, they didn't get the war prosperity long enough to retire for the rest of their lives.

There are still people who think their business or their profession or their job -- they can resolve it by little angles, enough so that they'll have security. Well, what kind of security?

You mean security under this system? Well, you have to have a lot to be able to buy it, because I just pointed out to you in the bonds and the insurance company, the money you pay in you might succeed in paying in the policy or you might succeed in buying enough bonds, but the dollars you're paid in won't be the purchasing power of the dollars you paid for them.

We have a controlled upward spiraling inflation, and that is the object of Washington and Wall Street. They don't want a deflation. They're scared to death of it. They would prefer a war -- any kind of a war -- to deflation. The only trouble with a war is that we haven't any allies. The Italians, nationally speaking -- I'm not insulting them -- biologically have forgotten how to fight and the French can't fight, the British won't, and who's going to be our allies. Why, even the noble Germans -- the latest census taken by the United States Intelligence is very interesting. They don't want to publish it. All the young German males of those who served in the armed forces during the late war and those who have come of military age, 18 and over, since, over 80 percent of them don't want to fight in any war, but they wouldn't mind if the Americans fought the Russians. They said they'll look on and see how we do -- we tried it.

No, your French and West German, your British and Norwegians and your Italian, they know that the war was fought there -- the last one; and if there's a next one, it will be fought there and they'll be the first to die, too. So, they're getting kind of tired of dying first, and they're suggesting to United States that the Americans die there first, then they'll believe us; and after that, they may decide or may not, depending on how we're going.

It's a very interesting setup and I'm going to give you something quite contrary to the usual baloney. The Russians are only 20 miles from Hamburg -- that's all, look at it on the map -- they're only 20 miles from Hamburg, and how far is Hamburg from the sea? Well, it's on the North Sea. It's an ocean port, isn't it? Now, in case of a war in Europe, the Russians wouldn't have to declare war on France, Belgium, or Holland. All they would have to do is move west to the Rhine, Western Austria, and the northern part of Italy -- and let's see what happens. This is a strategy quite contrary to all the baloney that's spilled in LIFE and all the other magazines -- COLLIER'S -- of how the next war would be fought.

As the Vatican, of course, is at war with the Kremlin, well, that's the Vatican's lookout. The Pope, of course, hasn't any divisions, and in Rome today, your Italians are not renting the modern built apartments. "You have them, senor. They are too close ...." I don't know whether you understand me. In the case of a war, they're too close to something. There are new houses and new apartments in Rome going begging. This is not by any Russian propaganda; this is Italian reports. After all, the Italian has enough sense to know, don't be on a hot spot.

So, your Russian troops would only have to take Italy down to Bologna and the Apennines. They would only have to go to the Po. Then what? Well, there would be about 7 million Italians from North Italy would go south, they'd see to that. All the devout, nice Catholics and the aged. Well, naturally they'd shove those out, wouldn't they? They're too old, say, to work or too incapcitated. They're perfectly ruthless; they'd do the same thing in Germany. They'd shove them over into France. Well, then, what kind of France or Italy would you have or Spain? Do you think they could fight? Well, South Italy, you could say, "One-a-meatball." It's about what would happen. You take the only productive district of Italy, the Po Valley, the only agriculture; so, some area of the globe would have to feed South Italy, Portugal, Spain, and France, But France would say, oh, 18 million additional population. There'll be hell to pay there.

So the French -- even the West Germans, the Italians, and the British don't want war. It's only Washington, Wall Street, and a few other places that would like to have a war or the scare of a war in order to continue this pump priming. You don't have to blame the Russians. They've made colossal mistakes. They put their foot in it every other week, but they haven't reached the same stage of being the colossal jackasses we have. Maybe the only reason they haven't is because they haven't as many automobiles and can't travel as fast.

But Europe today -- let's take a look at it, just a short look. France before the war was doing around 6 million tons of steel. American money has poured in there and American equipment. The new Solax Steel plant in Southeast France will do 870,000 metric tons of sheet steel a year with the latest 6,800 feet per minute continuous strip mill. There won't be many Frenchmen work there at 70 miles per hour, will there? The new steel plant in Northern France will be 1.8 million tons, and that, of course, will have the latest open hearths, electric furnaces, strip steel, and hydraulic floor. All of this, of course, is being done by the United Engineering and the Mesta. Mrs. Mesta, of course, in Luxemborg, has secured a new steel plant for Luxemborg of 470,000 tons with the latest Mesta engineering equipment. Wonderful to have a female ambassador with those connections. Of course, you and I and every other American pays for it, but then we're paying for so damned many things, what the hell's the difference?

Well, there's this difference: United States money, Marshall Plan, ECA, and the Army military funds that have been dumped in have completed or have under construction at the present time in Europe, West Europe, of course, oil refineries with a total capacity of 1 million barrels of refining capacity a day. Beautiful!

British steel production is running at 20 million tons, France at over 12 that used to do only 6. West Germany, with the Hermann Goering Geschellshaft, is capable of doing, say, 17 to 18 million tons.

West Europe today has a surplus of steel, ceramics, and coal, boots, and shoes. Your stores in Brussels, Amsterdam, Paris, Milano, Genoa, Rome, and Frankfurt are loaded. Oh, you can get food in the best restaurants. You can get anything you can pay for, but the average Italian can't pay for it or the average Frenchman, the average German. Oh, this is only for the deserving ones, the ones who have been successful "Amerikan". We've taught 'em how.

Well, we're completing a big steel plant in Britain. The Russians are completing a big one in Poland, another one in Czechoslovakia. Those of you who came from Czechoslovakia or people who came from there may have remembered the giant Skoda Works. The giant Skoda Works employed 14-16,000 under the war pressure of Hitler, is now employing 51,000, and is over three times in acreage greater than it ever was under Hitler. Charming thought, isn't it?

The Manfred Weiss, which is the Skoda Works of Hungary, that, too, has been amplified. There's car plants, car wheel plants, aluminum plants, power plants. Poland today has a bigger crop than Poland ever had in history. Hungary is coming in with one, bigger than it ever had in history. France's wheat crop today will be a big exportable surplus.

The largest car wheel plant in the world, outside of United States, is in Poland, a duplicate of the one in Russia. The Russians are building 100,000 kw turbogenerator units, 3,600 rpm, 1,875 psi, 950 heat, supercharged, hydrogen cooled, and they're all on a single shaft -- the high pressure and the low pressure -- not on two shafts. Well, we have them here, 100,000 kw, but they're on two shafts. That shaft takes a 250-ton forging, ladies and gentlemen.

We've been operating on the theory that we're the only first-grade citizens in the world, that is, the American businessman is; and every other citizen around the world of every other country has been some kind of a second-grade jackass until he's been educated by the American businessman.

Well, 1,500 Czech cars are entering Canada. You've got Czech shoes being laid down in Boston, $2.34 a pair selling for women's shoes, beautiful shoes selling for $14 to $15 dollars retail. Japanese shirts -- 50 cents dumped on your market. But even if they are our allies, they can't do that to us, no, sir. We gave them the cotton but they can't come in here and ruin American business for themselves to ruin others the way we ruined it.

Now, Japanese coal is not coking coal; so, we have to supply coal from United States in order to make the Japanese coal coking coal in order to make Japanese steel. Is that clear to you?

Well, if you think that's funny, the Volte Redunda, the giant steel plant of Brazil, we have to supply twice the percentage of US coal to make the Southern Brazilian coal cokable; in other words, we supply between 65% and 70% to Brazil and 35% to Japan. How long can we keep it up?

Now we have quite a famous general out there in Japan -- General "Dugout" MacArthur. Oh, he's got a good record card and he's said all the proper things in his File 201. See, you can get to be colonel, all right; you can get that on your record card. But when you get to go above being colonel, it's on File 201. If you say the wrong thing to Mrs. Whosit at somebody's dinner, that goes down in File 201, and then you don't get the promotion, because you're not a deserving colonel. In other words, you have to be a "yes man" from then on, like Eisenhower. Eisenhower, of course, his record card was all right, but he's a smoothie. We've said this before and we still stick to it. Technocracy defines a "smoothie" as "one who shaves a posterior before he kisses it." Well, he got to be president of Columbia University, didn't he? And they make Stassen president of Pennsylvania. Neither of them ever went in for education. They didn't know anything about pedagogy, but they did the proper things -- that was the payoff.

Now, our press is continually harping on that we should hold onto Japan. Well, it's an untenable position. In order to operate Japan, we'd have to pour in somewhere between 24 and 26 million barrels of petroleum a year outside of the small amount of petroleum which they extract from that very thin strip on the North Shore of Hokkaido Island. We'd have to do about 28-30 million tons of iron ore -- that's assuming 50 percent or better Fe content. They have excellent copper. They have rice, of course. Japanese forestry is excellent. They've got excellent pine growth, but not enough. So, we would have to supply between 5 and 6 million bales of cotton a year and about 2 million tons of cellulose, let alone all the other metals. The question is, can we? We hain't got it no more, honey!

And oil? Yes, we're drilling more wells than we ever drilled. We're drilling them with faster, better machinery than the world has ever known. Given the right formation, we can sink a well 4,000 feet in 24 hours with the new rotary -- for what? Well, 96 percent of your average oil wells, you know, after it hits its peak, declines 96 percent in four years. The average output of wells in United States today is between 11 and 12 barrels per well per day. That's with all wells pumping.

In Venezuela, it's 300 to 400 barrels per well per day. In Arabia, it's 3,000 to 4,000, but they're blowing off practically a billion feet of gas a day, Saudi Arabia and Bahrain. We're after the oil, brother, and we're going to get it! Damn he who cries, "Hold, it is enough." Well, then what?

All of this, of course, has a bearing. Let me ask you what will happen, from your own personal experience, if you had to pay 50 cents a gallon for gas? What percentage of people with cars do you think could afford to run them on 50 cents a gallon? Not many. Especially if you drive 25 to 30 miles each way to work. You're mortgaged enough now.

Our mortgages are over $60 billion. Our installment buying is at $19 billion and going up. Automobiles only a little over a year ago were only 28 percent on installment, and now they're well over 60% on their way to 70% on installment buying. Of course, televisions, they're way over 70% already. Well, you have to give away a set of dishes to get them to buy them now.

The automobile industry is operating at 10 million cars a year -- that's the rate. Refrigerators at over 5 million. Well, can you run two years -- 20 million more passenger cars? How many homes are there in United States that have electric wiring? Slightly less than 37 million. What percentage have refrigerators? Well, it's over 70 percent. Beginning to look like those cash registers, isn't it? Saturation isn't so far away. I don't mean it's within the next week or next couple of months -- don't misunderstand me. What we're making is a conditional statement that if these <u>rates</u> continue, what difference does it make whether it's a year, a year-and-a-half, or two years? It doesn't make much difference, does it?

Now, there are some other things that are coming up. We have a surplus of cotton, of course, which the Department of Agriculture buys up along with the surplus of wheat, corn, and other things, and they try to reduce the acreage. Well, they succeed in a little minor way, but the scientists are doing a very peculiar thing on the other side of this. The average production of cotton per acre in United States last year was approximately 270 pounds, but that includes a very high average for a particular acreage. So, that high average, particular acreage running into the millions of bales, was subtracted first. The national average would be considerably lower.

Out in California, your agrobiologists have succeeded in the last couple of years of making it a state law -- it doesn't make any difference what size acreage you have or whether you like it or whether you don't like it -- you are compelled to plant Ocala 442 by law. Otherwise, they can come along and pull it up. Well, what is Ocala 442? It's the biologic development in plant breeding. Its major cross on one side is wild Mexican cotton and a combination on the other side. Well, the average for Ocala 442 is between 670 and 700 pounds to the acre. Its fiber is longer and has a higher tensile strength than even Sea Island. So, Ocala 442 is sold before it's planted, and California is not a party to the agricultural program of United States. It doesn't want any part of it, because Ocala 442 is selling at a premium away and above any cotton.

The State of Texas and the rest of the 47 fought the war -- Texas, Arkansas, Tennessee, Louisiana, Mississippi, and Alabama -- they're all demanding a cotton prototype for their area that's the equivalent of Ocala 442 for California. Well, it can be done, but there's a little peculiarity about it. We would then be able to produce an abundance of cotton, the same amount now that we're buying up, on only 30 percent of the cotton acreage of United States. What do you do with the other 70 percent?

We're not finished with this yet. We could show you pictures of a field of wheat -- nice big, big field of wheat, multiple head, and it averages 144 bushels to the acre, baby. And you don't need top-grade soil to do it. One head of wheat of the multiple -- throw them on the scale and they'll outweight 8 to 9 ordinary heads of wheat. You don't have to believe this; you just make the test yourself. So, we've got too much wheat land, haven't we? We've got too much cotton for what's coming up.

We used to plant 7,000 to 8,000 corn plants to the acre. It used to take 120-126 days to bring the corn plant to maturity. Now they're planting 16,000 stalks to the acre, and it matures in 81 days. But it has three full-size cobs on the stalk. Well, sucker, where are you going to be? Because this corn will ripen north of Edmonton, Alberta. Canada is going to get smacked with it, too. Why not?

We've got better machines to handle greater biological marvels. It's going to mean less farmers and less acreage. Well, where are we going to store it all? We have regulation in this country but no controls. You can travel across the countryside today on our roads, and we've seen nice great big round storage -- all looks like aluminum, aluminum colored; but when you get up close to it, it's just ordinary plywood painted with aluminum, sitting on the ground full of corn. My, my, my, won't those European rats have a wonderful time! They'll go through that plywood, you know, like a hot knife through butter. There they are, sitting on the ground, full of thousands of bushels of corn, just the plywood run around in rings like this and painted with aluminum paint. Well, after all, it gets a government loan; what are you kicking about?

Now we're increasing our power capacity -- generating capacity -- both here and in Canada -- never mind about abroad. Of course, France in doing her hydroelectric program calls for 250 percent of her prewar hydroelectric capacity. Switzerland will be over 300 percent. Here we're doing 5 to 6 million kw this year -- maybe a little more. Next year, we have more than 6 million kw scheduled to be installed. What does it all mean? Well, we only need a few million more and you won't even need the atomic energy for industrial development. We'll be right there where Moses put out the light. Even your atomic scientist admits it. You don't have to wait for it.

Of course, all of you run against it in your friends and fellow workers and associates. You've been looked on as well, to say the least, slightly peculiar, haven't you? Well, but you have to realize that Technocracy has no friends collectively speaking in the Price System. They're going to dislike you or have suspicion of you, but let the wrong numbers come up and deflation starts to set in, and then, of course, they're all going to come and ask you what to do now. That's what they did in the thirties; they'll do it again very shortly.

We can always tell in New York when the bankers and business executives want to come to CHQ and ask about their insurance and their investments. Then that particular stink comes out, because you know there's something coming. They always want to get in a safe spot. They're even willing to ask us.

Now, in the history of this organization, we've had several attempts to sell it out. One was back in 1920 and another was in 1932; and, of course, the other one occurred in 1948. Now, of course, rats are an animal that are not endemic to the North American Continent. They were brought over here from Europe -- that's correct -- there were no rats here when Columbus discovered. And in any organization such as this, you're bound to have people who want to inflate their own ego and who carry a grudge or a chip that are wide open for an inducement from outside people for a little money. It's been proven twice before. After all, Rautenstrauch was offered the head of the Industrial Research, Jones was offered head of the Industrial Planning in Washington, and Leon Henderson was made Price Administrator. Come on, this was all before it broke. We've gone through all of this garbage before.

Where did Atwater and Langan get $5,000 to pay their attorney -- out of the members of this organization? The hell they did! And their attorney is a graduate of Fordham and Chairman of the Greater New York Committee of the American Liberal Party.

[Clouse, the member who did the wire recording, breaks in at this point with the following: At this point in the original recording, there was a 10-minute blank spot on the wire. If the information deleted here is of enough importance, perhaps the Chief can record it on another wire and we can dub it in in the proper position here. All the information missing seems to be about the CCP.]

.... with rigging the elections, with being dictators, worse than CHQ ever was. What does this sound like? That they altered the minutes? In other words, they're a collection of unmitigated scoundrels, and they're to pay their dues to whom? To Anderson in Dayton. Come on, let's have a laugh. Well, they bought cloth, they paid fares for a meeting in Chicago. At ordinary train fares, that would run around $4,000. You get a pencil and start to figure it out and you find they spent a lot of money. Of course, Oscar Floyd, one of the 27, he's thrown out. Harrings of Detroit is thrown out. Who have they got left? Langan, Atwater, ...

So, the others that are thrown out turn over their original correspondence to CHQ. [The Chief whistles, "My Country, 'Tis of Thee."] And the more we get of it, the dirtier it smells. A lot of them -- it was done innocently on their part. They fell for a lot of baloney. You see, they perpetrated the nonsense that CHQ had a million dollars. Well, we only wish we had a small fraction of it. And that we have several bank accounts, and I believe that I was supposed to be living at the Stork Club with several girls. Well, I've always wanted to be a kept man, but .... I've heard about these kept women. I've no objections provided I be well enough kept. We still haven't got the Cadillac car. The same car there -- it's ten years old.

They claimed we had different bank accounts. The organization has never had but one bank acocunt. It has every voucher, every check ever sent, ever received, or ever paid. Kindly bear this in mind. They made this mistake, don't you make it. All entries in the books at CHQ are made by a certified public accountant, every single entry, every check is paid out by him. He happens to be also employed as Comptroller of one of the largest hospitals in the City of New York. Our annual report is compiled by a firm of certified public accountants, of which he is not a member. Two entirely different collections of certified public accountants.

They could not afford to falsify the books or the federal reports or the income reports. One would lose his job and his license as a Comptroller of a hospital; the other would be cancelled out as -- I think they're the fifth largest firm of auditors and accountants.

Well, we knew that if we let them spill all the lies and dirt and get it over with and get down to some constructive work that when they attempted to be constructive, there wouldn't be an idea in the lot of them. I'm not going to rehash a lot of dirt of what we thought about it, but there were only 70 in the original crowd, the 70 that hatched the conspiracy.

Of course, one of them belongs to the CCF in Canada today -- joined the party, political party. One belongs to the Conservative Party in Canada, and a couple of them have joined the Democrats in United States. We haven't heard of them joining the Republicans yet, but no doubt they will.

Now the motive of that crowd was to make Technocracy a political party and to sabotage the organization. Our membership records were fouled up. It took us practically a year. They had charters, applications, and MAs never processed dumped in the back of files and underneath material. They had MAs without cards and cards without MAs. In other words, they deliberately fouled it up for 18 months and issued fictitious reports to me. What do you call it? In the army, they've got a word for it, and if it was a partisan warfare, I think the membership of this organization would know how to deal with it.

We haven't any ill feeling, but we've had it happen twice before. The interesting thing that twice before at least they were offered decent money for it. They were offered good money to sell out, but this cheap bunch of rats did it for practically nothing. I mean, when you're offered $25,000 a year, well, an individual .... no one, but half a dozen of them, at least that's something; but these people -- it's despicable.

Of course, out west they're a little tougher. Some of them got on the police blotter, some of this CCP crowd. They better not try it again, because they're already on the record. This time, they don't tell you three times to get out, and you don't break in -- break and entry twice with once already on the blotter agin you.

Instructions were sent out to steal records, to falsify them. They didn't have many, but they had a few scattered here and there in the various Sections. They actually instructed them to steal the property of the organization and to falsify them. Atwater's letters across my desk said one thing and the messages he sent by radio -- ham radio station in New York -- were entirely different. We have the log books of the receiving stations that received those messages, officially recorded. You have some idea of how dirty it was.

Well, as far as we're concerned, they're washed up and down the drain, but it's taken a while. It's cost us chiefly time. Naturally, they tried to pull all the dirty legal work they could and it didn't get them anywhere. Now we're ready to go on from here. As the western members say, "Well, the ship smells clean now that the rats have gone." So, let's keep it free of rats from now on. It's your job as well as mine, you know, and when somebody starts pulling something that, "Well, don't tell CHQ." After all, CHQ is the chief of your strategy. Remember those people, myself included, it's no sinecure, you know. It's no prize job living on what we live on. Might be able to get by in some little small town but not there. That's why we've asked for the Expansion Fund. By the way, those Expansion receipts were printed -- that's where Norris got the word of the "Expand Technocracy" from. He saw the printed receipt books; so did Atwater four years ago. Interesting, isn't it?

Well, we're trying to get a farm and move out on it. In order to have a training school, be able to pull speakers in -- organizers; brief them, and at least be able to give sufficient space for those who want to come in and work, and there's a good number who do. The CHQ staff, of course, will welcome getting out of New York. We have made an offer on a place. Whether that's accepted, we won't know until next week, but if it is, CHQ in 60 days will be in another location.

I've just given you a few high spots. I don't know whether you're all tired out and hot and drippy, but if you can ask me some questions, for heaven's sakes, don't be backward; say what you think and I'll do my best to answer them.

IS IT TRUE ABOUT GREY SUITS?

Not in United States. Canada has them. Tip Top Tailors across Canada make them for male and female. I told you they were more intelligent up there. No, the Cleveland Worsted has too many orders for United States Government departments. Nobody wants to make cloth out of 64-70 Merino, 88 to the inch, when they can make it out of 50 and 40 threads to the inch and sell it as ladies dress goods, do they? Or men's lighweight suiting.

COULD YOU TELL US WHAT'S HAPPENED TO THE ....?

Well, of course, it was going out to make prefabricated housing, wasn't it? Shouldn't do that. [REPLY] Shouldn't do that. After all, Tucker started out to do a car, too. Shouldn't do that.

In 1925, some of the Technocrats got some money from a foundation, and they built on top of one of the giant concrete warehouses on the Hudson River. They built a prefabricated house in 1925. All you needed to put it together was a socket wrench and a crane to lift the sections -- no wood, no plaster, no paint, no bricks, no stone, no paper. The floor sections, the wall sections, and the roof sections were all the same -- steel truss, insulated, closed in magnesite. Well, the doors were made by the Dalstrom Metallic Door that also makes the art metal furniture, you know, and we used vinylite -- solid vinylite -- for the first time in doors. Of course, now you get lots of things in vinylite.

The switches were just little flip switches like this, and all the piping was flexible piping. You didn't need any plumber, because you could put the piping together, and the male and female joints were coated just as the old Schraeder tire patch, you know. Just light a match like that -- it soldered itself.

We had an engineer and his wife who had three young boys. So we got them to live there. We provided them with all the edged tools we could think of, and the kids went to work. They were three healthy, husky boys -- hammers and chisels and drills and everything else. They went after the floors and the walls. They had a wonderful time. Funny thing about it is that when they couldn't knock a hole in anything, they quit. Tried it all over the place and it didn't work so well. It was too hard, so they gave up. Lesson on how to educate your children, but you have to have a house to do that with.

That foundation, of course, was connected with the American Radiator and the Standard Sanitary. The upshot was that the banks, the American Radiator, Standard Sanitary, the unions, everybody complained because you could put an 8-room house up in 24 hours complete with all wiring, all piping, and everything else, and you could take a Chicago pneumatic hammer and half a dozen 7/16 steel plate in the bedroom, put the hammer on top of them and let her run. Take those No. 3 Chicago burners on one meter of surface, light them, open it up, run it 24 hours wide open. The surface would be almost white hot, but there wouldn't be a 10° rise of temperature on the other side. You could take a whole section and drop it in the water tank after you'd weighed it on an accurate balance, leave it there for 72 hours, pull it out and the difference in weight could not be detected on any commercial scale -- completely immersed. Fireproof, waterproof, verminproof, insurance-proof -- you couldn't burn it down. You could take it down and reassemble it a hundred times. It was just as good, and, of course, the wall panels fitted in like this, like the old-fashioned bedstead but a little better fastening. And then you had male and female long tie rods which you wound up. And you have a roof deck on it, a spiral metallic metal staircase, and a garage.

It was so far advanced that it wasn't worth a damn. FORTUNE MAGAZINE tried to photograph it with a telephoto lens from the top of the Chrysler Building, and if you'll look back in one of FORTUNE MAGAZINES, you'll see a little photograph of it on prefabricated housing -- little one like that -- that's all they were able to get. I've slept in the place; so have several other Technocrats. It was torn down and the entire thing was placed in storage in 1929, and there's never been a damn thing done about it since. That's the same reason, do you see? Because if you really build something to last -- what? You can't burn it down. You mean you could take the house down and move it and put it down in Florida or move it up to Alaska and it's still the same house and just as good?

The sound transmission in that house was less than 7 decibels, if any of you know your technical .... Oh, we did a job. The Lustraub didn't even approach that, but it was just enough like the Tucker car to where it was too much.

WHAT ABOUT THE U. S. STEEL ....?

Well, they're enameled steel plates, you know, fabricated steel panel, and your what corporation -- there are several of them that do the same thing like the White Tower Restaurants. They're made out of it. That's all right as a temporary thing, but then what corrosion proof have you got? To build the entire housing for the people of this continent out of steel, it isn't necessary. As a merchandising proposition, it's a beautiful sales game for the steel industry.

WHAT HAPPENED TO THAT DYMAXIMUM HOUSE THAT BUCKY FULLER HAD SOMETHING TO DO WITH?

Bucky Fuller -- we've known him for years, for at least 30 years. Bucky is a darned good artist -- sincere. Personally, there's nothing wrong with him -- he tries; of course, he kind of feels a little upset because at the Chicago Exposition -- World's Fair, remember -- the control commission on design asked me to look over the building they were building on the suspended diaphragms. They had part of it up. It was under construction -- had the center mast up. They had the flooring in the diaphragms, but they hadn't the outside laced in. Nice concrete floor down here on the bottom. And they said, "What's wrong with it?" I said, "Why, the resonance factor, and if you calculate it on Whitaker's hidden frequency, you'll discover what's the matter with it." "Well, we never heard of that." "Well, I said, "you're just architects; you're not physicists." "Could you prove it to us?" I said, "Have your superintendent -- got a couple of men?" "Yes." "Well, bring them over here and upend that 22-foot yellow pine plank." They stood it up on end. He said, "What will we do with it?" I said, "Well, just stand aside and let the plank fall naturally on the concrete floor." It did. About 70 men in that steelwork came down so fast they burned their hands on the ropes. You see, the vibration hit the concrete, she set up 28 recurrent cycles. Boin-ng-ng-ng. Those two diaphragms were just like drums, you see? Oh, no, never again. So they didn't finish the building.

Now the Tacoma Bridge fell for the same reason. You saw the moving pictures when she starts to go. Now it wasn't that the wind was of hurricane velocity. It was at that critical, you see, where it created that resonance factor where she starts to go. Because your towers up here were not stiff enough, they permitted the resonance factor to amplify; therefore, the top of your tower twisted and your main cables went like that, which started your floor, and anyone who understands harmonics and music understands what it is. And the floor started to move because the more she went -- finally she turns up like that and wham! Now, of course, you fix it by doing something different -- you dampen the resonance factor.

WITH THE ADVENT OF TECHNOLOGY IN EUROPE AS YOU DESCRIBED IT, DO YOU CARE TO COMMENT ON WHAT IMPACT IT MAY HAVE ON OUR EXPORT TRADE AND PRICE ECONOMY?

Well, Japan will have to be permitted to build ships. She just launched last week a 22,000-ton boat, first of that size since the war. In other words, you have to permit Japan to rebuild a modern, high-speed, big tonnage merchant marine fleet, as well as a passenger fleet, and you

also have to permit Japan to utilize its cotton spindles and its rayon, as well as its silk. Bear in mind that before the war, Japan was doing 6 billion yards of cotton, exporting 2.3 billion square yards of cotton goods a year, or greater than Great Britain. She chased Great Britain out of the Orient. She's only doing 3.6 billion now, that is, two months ago; so, if you permit maximum operation, Japan will come back as the big cotton producer, and Japan was in 1940 the world's largest rayon producer. Am I making this clear to you?

Now if that happens on one side of the world and you have the increased capacity in glass, ceramics, textiles, steel, coal, and chemicals in Europe, and as our inflation continues upward, it renders US dollars dearer in the world markets, correct? It makes them dearer and dearer. In other words, other countries are less and less able to buy in a rising inflationary US market. And with increased export manufacturing capacity, they have more to dump more places, with the result that US foreign trade will decline to its normal position of less than 4 percent of our total production.

Remember that during the war, with Lend-Lease and foreign aid included, our capacity had so increased that United States was unable to export and to give away and to dump away 4 percent of its total production. Now, of course, we loan them your dollars so that they can buy it from us. No wonder they think we're stupid.

HOW LONG CAN THEY PROMOTE THIS WAR HYSTERIA INTO PRODUCTION?

Oh, they can keep it up here until they choke, which isn't so very long. Europe doesn't want the war. India doesn't want it. Indonesia doesn't want it. You see, after all, who's going to fight a war? Are we Americans going to fight the war -- for what? Never mind who you're going to fight; what would you do if you won? You haven't got enough customers now! Oh, then, Technocracy was correct to declare war on the Pacific Ocean. The Pacific Ocean couldn't surrender, it couldn't capitulate, and you could always dump it in, couldn't you? The only trouble about that is continental United States hasn't got the resources: copper, zinc, lead, petroleum, and iron ore, let alone lumber. So much so, we have a shortage of newsprint, and Russia is offering newsprint to the world. Come on, have a laugh. It's really funny.

[A QUESTION ON APPROPRIATIONS TO PAROCHIAL SCHOOLS.]

Parochial schools? Well, naturally, they're trying to shove through federal aid to parochial schools. Well, while the Catholic Church has the richest diocese in the world, the Catholic churches in New York, and the richest parish is in Detroit, still they haven't enough money to run and maintain their schools, because, after all, this installment buying is mortgaging the Roman Catholics as well as the Presbyterians, isn't it? Well, until they've got nothing left. That's why local options; you're advocating it downstate, isn't it? The local merchants want what? They want local options in order to cut the liquor out so the butcher, the grocer, and everybody else, they hope, will get the money that's now going to liquor. How many counties in Ohio have gone dry? Come on, somebody tell me, you live in Ohio. [REPLY: Only 27 counties.] Thank you. Out of how many total? [REPLY: 88] Well, it's climbing up.

WHAT ABOUT THE LATEST MILITARY DEVELOPMENT -- GUIDED MISSILES?

Guided missiles -- whose guided missiles? [INAUDIBLE REPLY] After all, what good are proximity fuses unless you have something to fire at? Proximity fuses are not good if you come in at low level. Of course, the Swedes, you know, they reported some very interesting things. So, we sent over General Sarnoff of the RCA and General Dolittle and about 140 others. Well, they would come across the Baltic at constant contour, that is, you get one radar this way and another one this way, you see. So, you come along a level and you come to a mountain; it comes up and climbs up over the mountain and goes down the other side. You set it for about 400 feet above anything, it keeps 400 feet above anything. So the Swedish Observatory has got the only photograph. When the Swedish Air Force tried to do it, why, every time they came near it, it stepped on the gas and went off at about 1,600 miles per hour. So the Swedes decide to stay neutral. You get it now?

WHAT'S THE FINAL ANSWER BETWEEN CHIANG KAI-SHEK AND MacARTHUR?

Oh, Chiang Kai-shek is finished. [WELL, HELL, WHO DIDN'T KNOW THAT?] Well, MacArthur's coming home. So, they could both meet in Los Angeles and Hollywood.

WHAT HAPPENED TO OUR PEACETIME ATOMIC ENERGY DEVELOPMENT?

.... at the present rate of development, they don't want it. You see -- not here. It would only be advantageous in certain parts of the world. Here they have so much invested capital in public utilities and generating equipment for energy from other sources, why develop it? Of course, Britain is developing a pilot plant; so is Canada; so is France, Denmark, and Norway. Well, Canada doesn't need it so much, but Britain could stand some help. But we're not likely to get it. You see, we have the Monsanto Chemical, the General Electric, and all the other large corporations all operating it for patriotic reasons, aren't they?

DON'T THE LAWS OF THERMODYNAMICS HOLD TRUE FOR ATOMIC ENERGY ALSO?

Certainly. Of course, if you can handle hydrogen, hydrogen is much easier to obtain than U-238. Most of your U-238 is far away and it's 1 percent ore. Then what? To get U-235, it's 1/140 or 140 times that. Correct? So, it adds up to quite a lot of ore in 235. Then your energy obtained in your fission to actual utilization is only a small percentage of that released. Just as the plutonium plant out there at Hanford; they're using so much water they're heating up the whole Columbia River and killing all the fish; but you couldn't use the heat for anything useful.

WHAT WILL ORGANIZED LABOR ....?

Well, after all, hasn't the AFL and the CIO both stated they want to take political action? Isn't that correct? In other words, they want to join together with probably John L. Lewis and the Railroad Brotherhoods to elect the same jackasses. It doesn't matter whether he's honest or dishonest; you're putting the man in political office to do what -- to change something? No. You're putting him in office to continue the office so he'll be reelected; and you expect him to pay off with certain favors for your particular group. Well, but we're all at it, aren't we? The farmers are at it, labor is at it, the common carriers are at it, the public utilities are at it -- communication systems. Everybody wants an increase in rates. It all depends on whose bull is gored. How far can you go with it? So, it doesn't make the slightest bit of difference whether the AFL or the CIO -- they're not proposing anything except hoping that the industrial pie will continue.

Now, try to bear in mind you had a 70 percent drop in the depression of the thirties, but you don't need 70 percent to get hit just as hard as the thirties. All you need is another 15-18 percent. Figure it out. Seven million unemployed today would cost more than 20 million in 1933. Just 7 million, that's all.

HOW IN HELL ARE YOU GOING TO GET THE PEOPLE TO GET THIS IMPORTANT THING ACROSS THAT YOU'VE GOT TO DO? THAT'S THE THING I WOULD LIKE TO KNOW. WOULDN'T IT PAY TO MAKE AN INVESTIGATION OF ....?

Just let me try to answer it for you. We had President Calvin Coolidge, Harding, and Herbert Clark Hoover during their beautiful reign of the roaring twenties, with the stock market going through a new roof every other few days. Could you get any sizable audience anyplace in United States to say, "Don't put your money in equities"? Why, no, the General Electric at $300 a share were going to a thousand. You can recall it. And Roosevelt and his New Deal wouldn't have had a chance of a celluloid dog chasing an asbestos cat in hell in 1927. And it was only after it hit in 19- what -- 1929, '30, '31? No, it was only in the fall of 1932 when the country was up to its eyes in it. And then they said, "Let's throw the rascals out. Anything is better than what we've got."

So, Roosevelt, who could have bought the entire bonds and stocks of all corporations in United States, listed and unlisted, for less than what was paid out for relief -- no, he didn't do that. He'd have cleaned the slate if he had. He paid out more money for the relief of corporations than he paid out for the relief of individuals, and by 1937, business thought it was so good that it didn't need the subsidy. And what happened in 1937? She fell faster in 1937 than it fell from 1929 to 1932, didn't it? And how! Then they had to come back in September and use the fire hose. "Watson, the needle!" wasn't enough. It was "Delano, the fire hose," with a high pressure pump on it. All right, it pulls it back up. In 1939-40, we still hadn't gotten anywhere. We couldn't even get business to prepare for war, could we? We couldn't get them to rearm or retool their plants. No, not until they were bribed with open and negotiable contracts, subsidized with government money, supplied by scheduled materials on a guaranteed contract. Then, of course, with $300 billion in credit, we went off to the greatest war boom in history.

Well, go on out here and talk to people. "Why, no, I'm pretty good, hem haw, etc." "Why don't you read so-and-so?" "Well, I haven't got time to read. I'm so busy doing this and that, you know, my interests. Why, I'm practically on the go every hour I'm awake!" Yeah, he's important as hell. He belongs to this club, that club, and so on. He's on the Republican Committee or the Democratic Committee for the county or the state. He hasn't read anything in years. He doesn't want to read anything except his bank statement or the dividend notice; and his wife, of course, she knows he's a dumb cluck, so, "Yes, darling, you don't have to do anything like that." She just takes it away from him.

Now those are conditions. Could you get any reaction nationally? There are a few individual exceptions, yes. A few voices spoke up, but, collectively, did it amount to anything? No. And Roosevelt, when he gets elected, what does he want to do? He wants to drag in every member of Technocracy that can serve him. He didn't have any brains, so he had to come where there were some. For heaven's sakes, he couldn't use his legs, and this one can't use his head. I don't mean they weren't sincere. The country is full of sincere damn fools.

We've been preached at for the last 3,000 years about a government of men and a government of laws. Hell, what we need is a government of things, when you have 37 million automobiles, lawn mowers, all power-consuming devices. We're going to be cluttered up with them. Our great-grandfathers never ran into any problems of abundance. Their oxcarts were never in a traffic jam, were they? Their sewerage never backed up on them. They had the wide open spaces and the burdock leaves.

Oh, wait a minute, you think this is going to be funny. The orders of the New York Water Department are to cut the pressure 50 percent if your water in the reservoir is below a certain amount. I'll explain what that means. A 50 percent drop in the water pressure of the City of New York and all of those little household niceties, you know, that exist above the second floor, well, they won't work any more. So, about the 8th day, there's going to be the greatest sale of Airwick and other things that's ever happened in history. You'll know what Americans really smell like.

WHAT ARE THE OBJECTIVES OF TECHNOCRACY INC.?

Every organization has its objectives. We're an educational, research organization, and it's our job to keep ahead of the events and to keep the public of this country and of this continent informed of the trend of events and the technological design most capable of operating this complex on this continent for the general welfare and the common good, so as to provide and distribute abundance to everyone with the maximum conservation of resources, human and otherwise. Is that what you wanted? Same then, same now.

INAUDIBLE QUESTION

.... call them all in. You've got to deal with human beings as they are . [REPLY] Oh, suppose I took that attitude? No, wait a minute; suppose I took that attitude? Well, I happen to be one of those biological accidents. Suppose I said, "Well, if these human beings haven't got the memory that I have." Just let's put it on that basis; never mind my knowledge of science and mathematics; but they haven't got my memory, so they wouldn't qualify. Do you think that's an approach to make to ....? No. do you see what I'm driving at? You've got to take human beings as they are: black, white, brown, green, or whatever their color, size, or state of moral turpitude.

INAUDIBLE QUESTION

Approve what?

PASSING OUT LITERATURE ON STREET CORNERS LIKE JEHOVAH'S WITNESSES.

Pass it out in an undertaking establishment or church if you want to. I mean, we're not questioning, but that's for the individual member to try in his locality. [INAUDIBLE REPLY] Well, now, we have a member, in fact, a few members, up here in New England. They happen to have a little money and several corporations. Well, they also have a big fleet of trucks -- one of the largest refrigerated trucklines. They also have planes and they have a big banner 200 feet long with 8-inch high vermillion letters, and they tack that on back of the plane -- they have to catch it between the loops, you know, and lift her off the ground -- and they fly it over Dewey meetings or a Truman meeting or the Yale football bowl or any other place: JOIN TECHNOCRACY NOW. They come right down. It's their planes; they pay for the gas. Now, not everybody could do that. We don't necessarily say it's the best way to do it, but they happen to have the planes, they happen to have the aviators, they happen to have the gas and the sign, and if you want to look at an 8-mm. film -- color film -- of it, we'll send you one.

There's nothing in Technocracy's regulations to prevent the individual or a Section from entering any place or any group of people or approaching them in any way, shape or form. We don't advise lead pipe unless you do it in the dark.

Now, we have a number of Sections where they have a lot of majorettes -- they twirl the stick, you know -- and they have a good set of gams. Well, now, it's very interesting. The American male, he sees 8 or 10 of those, uniformed like that, well, he comes in to investigate Technocracy, believe it or not.

Now, individually, you can all hold meetings in your own house, invite your social friends in ard say: "All right ....

.... are only strict regarding the general policy and the general strategy. It gives the latitude to any Section or to any individual as long as they don't break the law. I don't know what else .... If we had the money, of course, we could provide you with a whole setup of visual education, moving pictures and everything else, which we hope to do when we get this place. We want to make models and take movies of them of the marine trains and the hydraulic locks and your commodity terminals and modern urban planning. Well, but that can't be done in a day.

DO YOU THINK IT WOULD BE WISE TO GO TO THESE PLANTS THAT HAVE THESE LAYOFFS AND PASS OUT LITERATURE THERE?

Go ahead. Don't do it on the company time. We've told you that before in directives. Same as in the army, the same thing applies: If your ranking officer comes up and wants to discuss Technocracy with you on time, "Sorry, Mr. Superintendent or Mr. Vice President, I'd be very glad to do that at some other time, not on your time." Then you're perfectly in the clear. Now when they're laid off and they come out, if you know there's going to be a layoff, meet them at the

gate, invite them up to the Section for a cup of coffee or at your place, hand them literature and say, "We hope you learn something." In other words, something like the negro that was going up to the scaffold to be hung. He said, "Ah know, this is going to be a lesson to me."

WHAT'S THE FIGURE ON KILOGRAM CALORIES PER CAPITA CONSUMPTION AS OF NOW?

Well, that's pretty difficult to get because you've got a lot of stuff going into military, you see. And that would be credited, but it's not correct to credit that because that's not civilian production, you see. That's an exaggeration, but she is climbing up. After all, your entire automotive industry -- Detroit is on a single-shift basis. That's been retooled. You've got an 8 million capacity in 48 weeks on a single shift. Remember when it used to be 3 million on multiple shifts? Not any more.

WOULD YOU GIVE US AN APPROXIMATE FIGURE ON IN ENERGY DETERMINANTS THE DISCOVERY OF ATOMIC ENERGY, THAT IS, OVER AND ABOVE PRIOR TO THAT?

No, you see atomic energy is no different from any other energy, only its source is different. You can't distinguish energy from the atom from energy from coal or energy from any source once it becomes energy, and you still haven't sufficient uranium to release any in vast commercial, continous quantities -- as a war project, yes. Of course, if you get the fission of the hydrogen atom, then hydrogen is much easier to produce where you have electric power than to find uranium ore. Is that clear?

Now there are still other means. Your air molecule is charged every day with solar energy. You can, theoretically it's possible to have a rotary converter where the peripheral speed approaches the molecular, and -- not the first law of motion but the second -- you could generate power with it. That we actually haven't done it yet, well, that's a question of development and experiment. But when we're at it, permit me to say that the fusion of the ovum and the spermatozoom is a damn sight more dangerous than the fission of the atom.

INAUDIBLE QUESTION. Oh, yes, we'd like every adult Technocrat and family that has children to bring them into the Section and get them going. You have them on the Pacific Coast. You have to get someone that has some peck rights amongst the kids. You can't shove the kids around; they're shoving you around, you know what it is. So, you get someone of the group to talk to your children. You'll find out who is the real live wire and who isn't and so on. Then you'd know, you see, who's who.

AM I CORRECT WHEN I SAY THAT AT ONE TIME YOU STATED THAT UNLESS YOU HAD 65 TO 70 PERCENT ACCEPTANCE OF THE CITIZENRY OF THE CONTINENT TO TECHNOCRACY?

Oh, no, we never said any such thing as that. After all, if the -- what's the traffic density -- how many automobiles per mile does it have to get to where it's unanimous on the part of everybody that they stop regardless of how they feel? See, we never made any such statement as that.

HOW DO YOU GET THE PEOPLE TO EFFECT A PROPOSITION ON HOW YOU GET THE PEOPLE -- WHAT'S THE USE OF GOING THROUGH A WHOLE MESS OF PEOPLE WHEN ALL YOU NEED IS TO GET THE RIGHT PEOPLE IN?

No. You see, social action in the mass is a different thing from the social cognizance on the part of the individual. For instance, in 1939 I pointed out in the City of Winnipeg to a giant audience in the auditorium that some day there would be a fortuitous combination of snow, rain, and climatic conditions, and if there were, then the Red River would do certain things, and it wouldn't make any difference in the meantime who they elected to the House of Commons or how much money they had in their bank account if the water was on the first floor of the bank. And, by God, the water <u>was</u> on the first floor of the bank. Our Section in Winnipeg -- the cellar and first floor are still flooded, that is, it was ten days ago. Over $100 million damage was done.

Now Canadians are just as forthright people as we are, but could you get them together to take any vision on what they should do to the Red River and the Assiniboine? Oh, no, they were too busy with other things. Then when you get a few hundred square miles of the best farmland in the world -- the Red River black bottom, you know -- plus their own city buried under it -- couldn't do anything with them. Now, of course, they're sadder but wiser. Are they going to do anything about it? Not until it hits them harder.

No, acceptance comes when it becomes impossible for any social system to continue because the intolerance is so great. Go on out here on the highway and count the cars, and when they're moving at 40 mph, you'll find that there's a certain specific number, a density of cars per mile. You increase the density, down comes movement. Increase it again, and finally at a specific figure, it doesn't move at all regardless of the moral turpitude of the drivers or their age or their financial or social condition. It comes to a stop and it stays that way. What? They've all got opinions, haven't they? They all have feelings; they all have a vote, correct? And you're totally powerless, aren't you? And they were all doing the proper legal thing going about their business but they were all going about their own particular individual business at the same time. It's all right so long as a little minority did it, but when you get the overwhelming majority doing it, it's all wrong.

[CLOUSE BREAKS IN WITH THE FOLLOWING: RIGHT AT THIS TIME THERE WAS A LONG QUESTION FROM ONE OF THE MEMBERS IN THE AUDIENCE IN RELATION TO THE INEFFICIENCY OF THE ORGANIZATION. SEEMED LIKE HE EVIDENTLY WAS A GI BOY AND CAME BACK HERE AND DIDN'T LIKE THE IDEA THAT WE HADN'T MADE BETTER PROGRESS IN THE ORGANIZATION. ONE POINT HE BROUGHT OUT TOOK UP A LOT OF TIME IN COMMITTEE WORK, DECIDING WHEN TO HAVE ANOTHER COMMITTEE MEETING.]

Well, after all, what you're learning is the futility of the democratic method. Here you're members of a membership organization. CHQ can lay down a general policy and a strategic implementation of that policy, but the tactical execution of that policy is dependent upon efficient administration of each and every local unit across the continent. Now we or a Section's officers do not possess the spiritual power of excommunication. We can't take back your lot in the hereafter and your halo and your harp and say you can't use it. We haven't the fiat power of the armed force where you do it or else. You haven't the economic power of either a union or a corporation on the job, where, unless it's done, you're fired or you're docked or you're laid off.

It has to be done as a voluntary proposition on the part of every member. I have no working hours. I have no spare time. What? Because anybody, any individual thing compels me? No. Now it's a very <u>difficult</u> thing to do. It's one thing to have a disciplined army with universal military service, and it's another thing to have a self-disciplined bunch of guerillas that maintain their own discipline regardless of how fast they move or whether they're in contact with the other units or whether they don't hear of them for a year or two. Do you understand what I'm driving at?

It's an extremely difficult thing. Now, CHQ has had difficulty because we have units -- somebody out there says, "Well, Charlie Jones, he ought to do that or Mary Smith or somebody else, they can do that. Why don't they do it?" Well, what <u>are</u> the conditions? Charlie Jones has a sick wife; he's willing to do it. He's got a child in braces. What? He'd have to have a considerable economic standing. Maybe he makes $150 a week, $110 or $75, but he's doing the best he can. Now if you come along and try to high pressure him and overdo the thing, you've only got so much leisure time, you've only got so much surplus time. You spend it on the job or in the profession or business, and it's the strategic use of that time, but if you're going to overload the individual member and wear them out, you're not going to join it. You're going to say, "Well, oh, let Charlie Jones do it. He's got a truck. He's got a car. Or he's got something else." Well, but he needs help. You do it in the corporations. You run on shifts. And what is it? It's a new type of esprit de corps. Howard Scott can't compel you to do anything, and, incidentally, he <u>never</u> tried and <u>never</u> will. I've never asked you to do anything that I wouldn't do myself, but because I'm doing it, I don't say that you <u>have</u> to do it. If you <u>want</u> to do it, you're with it.

If you don't, nothing I or any continental director can do to compel you to do it. We're not a punitive organization.

We had one director -- well, the name he joined under was fictitious. He was paroled from one state penitentiary and he had served two terms in two other penitentiaries. Well, he only tangled up $4,000 or $5,000 worth of funds in spite of the warning to the Section Board. He could have been sent back because he violated his parole. He married a 19-year-old girl, the daughter of one of the Section members, and when we called for his resignation from CHQ, he resigned. When I came there again at half a dozen Sections -- the general membership -- people said, "He was one of the live wires, what did he quit for? One whole Section's Board of Governors were very much upset. I said, "Come up here to the platform." I took an envelope out of my pocket and the criminal record photographs of three penitentiaries and held them up in front of each individual and said, "Do you recognize him?" They said, "Yes." Front face, side face, and fingerprints, sentence. "Well," they said, "why don't we arrest him?" "For what? We're not the FBI; we're not a police force. It's not our duty. Our duty is to stop the thing from happening in this organization and see that it doesn't happen again." But to deprive somebody of their livelihood or to act as a punitive proposition, no. Fair enough?

We're called on to make all kinds of things like that. Now any place locally, you've got to go along and do the best you can with the people in your community. For instance, we have a tough taxicab driver in a certain city. He has a fleet of taxicabs, and he's wider than Freddie Block. He's huge. He's a pretty tough guy. He's rough, but his taxicabs roam the streets of that city night and day, and he's got a flock of darned good tough drivers, too. Maybe they don't wear a necktie as often as they should or maybe they don't have the proper haircut and a few other things; but if you want certain kinds of jobs done, call on that bunch of tough taxicab and truck drivers, and if it's something they know how to do, move over, brother, 'cause they'll move it. Now but don't expect them to edit an encyclopaedia; that's not their job. You know it and I know it.

Find out what the person's capacities are. Most human beings may be working at a job, a profession, or a business, but they also have a little hobby or a little slant that they have a capacity for doing. The writers in Technocracy never wrote before in their lives. Wilton Ivie, yes, he's a biologist, ex-Utah University, University of California, member of the AAAS. He never wrote anything until he got in the organization. Well, other people are the same way. Some of them have some education, some of them none; it doesn't make any difference. Try them out, put people to work in the organization. Get them to develop their capacities. Bring your kids in. Where are they? Going in for juvenile delinquency? Well, I'm a little bitter about it. Get a college degree in the arts -- in a technological world? Can anything be crazier than that?

Now you can do it. If you haven't got officers that will function .... bank balance and monthly statements to be sent in from every Section every month. We'll audit it at CHQ the best way we can, but let's pull together. If you have somebody that's a square peg in a round hole, try somebody else.

As for efficiency, we know how it should be. We can tell you how to be efficient, but that takes a different size of organization. Now where you get 300-400 members, then you begin to see it shape up. About 500, yes, it's there, but at 100, 150, 200, 250, you probably haven't got the time and the personnel. You're making compromises all the time. Well, look at the compromise we had to make at CHQ. We had Atwater there. We took what we had and in most cases it was all right. Some cases it does us dirt. Same is true of your Section. Well, how about it? I still think it's the only organization worth fighting for.

We've been correct across the years -- painfully, too painfully, correct for a lot of our friends and associates, and what's stranger still, we'll be more correct; because the next five years are going to be the most significant in history -- not the next fifty. The decision will be made in the next five. I think most of us here, barring accidents, will see the next five.

CAN WE TAKE THAT FOR A FACT THEN THAT OUR PROGRAM OR SOME OTHER PROGRAM WILL BE INSTITUTED IN THE NEXT FIVE YEARS?

No, I don't mean that. In other words, things become more and more critical, and there will be major decisions forced upon this country and this continent and upon the world in which the social vision and the design that we have promulgated will become more acceptable and more apparent. As we have pointed out, the solution on this continent is amenable only to a unique one. There is no alternative.

While I'm at it, I'd like to say a few words. Technocracy objects to United States and this continent being torn apart and made a conflict and a battleground between the collaborators of the Kremlin and the collaborators of the Vatican. Now that is not a question of any religious antagonism. We take the same attitude with the Mohammedan, the Shinto, or any other ecclesiastical body that makes its plays on the political-international field.

Unfortunately, the economic situation of this country and of this continent is so complicated, and to further increase the intensities, hatreds, and feelings by the introduction of an ecclesiastical-political program, we regret it; but your Roman Catholic Church will probably regret it more. That's not the individual Roman Catholic; don't misunderstand me. The Mohammedan Church is running into the same thing.

You'll notice in your news that certain statements are being made by individuals, senators, and other prominent people. Now it ill behooves anybody to make a play on this national scene unless you can back it up with a long-range program. In other words, the Vatican has overreached itself, and in overreaching itself will compel a cohesion of non-Catholic groups which will make it tougher for everybody all around. They thought they were being smart and clever; they were, but not intelligent.

WAS SENATOR McCARTHY AND LOUIS · BUDENZ MIXED UP IN THIS IN ANY WAY?

Why, certainly. Louis Budenz -- I was called on the telephone a couple of years ago by a dozen people. I had forgotten about it, but I was in a club one night when one Louis Bedenz was proclaiming what a radical and revolutionary he was, and as I came in, there was considerable discussion, and they said, "Listen to this. Louis over here contends he is a radical and a revolutionary." I said, "Why, hell, Budenz, you're not a radical. You're not a revolutionary. You're just a Roman Catholic on a debauch with the Virgin Mary, mentally and spiritually speaking, and when you're satiated, you'll go back and get absolution." That was 20 years ago. Now, don't think because he was a Roman Catholic I said that.

I know them, whether they're Presbyterians, Baptists .... When anybody plays that game. What was he? He was emotionally unstable then. He had a bunch of informers, perjurers, and what? They were all perjuring on each other.

Like during the war -- if the G2 came in, well, the ONI came in on its heels and the State Department after that. Why? Because they had to spy on each other. None of them could trust anyone.

.... hearsay evidence. You only have 55,000 Communists out of 152 million people and they're ruining the country? Nonsense. Most of those are within 300 miles of New York, 80-some percent of them. So, you have this hysteria. Naturally your political press and certain ecclesiastic institutions beat the drums to keep it up. The parties keep it up, and it provides a lot of .... You chased them out of the unions and now you've got all the proper people in the labor unions in the proper position.

You've cleaned out everybody in the educational institutions, so you haven't got anybody with an idea left in any of them.

Did you see the case of the man in the post office charged with being a "red". When they called in those in the post office, they said, "How do you know he is a red?" "Well, he's always reading books." "Well, do you know he's a member of any party?" "No, they didn't know he was a member of any party." "Well, what books did he read?" "Well, I don't know what books he reads but he's always reading books." Another one said, "He said that wealth ought to be more evenly distributed. The rich had too much and the poor didn't have enough." He said, "Well, that makes him a communist."

A professor out here in the University of California bought an album of records in a bookstore. The bookstore happens to have one communist partner; so, therefore, he was associated with a fellow traveller. We have, of course, the chief perjurer in the Washington case out in Seattle with a warrant for his arrest in the State of Washington, but the judge in New York refuses to honor it because he's in the psychopathic ward in Belleview (the federal government witness).

Well, of course, we have psychopaths. Forrestal was slightly that way. He only jumped out a window becuase the Russians were coming. The window happened to be 16 floors up or something. Wynan shot himself -- ex-Ambassador Wynan. Dugan jumped out of a window on Fifth Avenue into the snowbank. What's-his-name was found stabbed and drowned in the Potomac. Bidault, brought back from France under arrest by FBI and placed in a cell in Miami -- jail cell, shoots himself with a gun in a jail cell under arrest. What does it smell like to you? We state it; we know the facts.

Perk is back in as mayor, isn't he? I wonder if there is still any gambling in Cleveland, huh? Don't have any gambling here anymore; it's a clean town! I don't know what it is now, you know, but there used to be a $5,000 check every morning at 10:00 right here in Cleveland. Now, there isn't anyone here would want to kid me on that, is there? Every morning at 10:00 or they don't operate that day. The same is true of New York; don't kid yourself, only it's a little larger there -- same kind of thing. So, you're going to kid the public of this country that you're going to clean up gambling? How to stop gambling on horse races -- just stop the horses -- simple?

WHAT'S ROBERT MONTGOMERY'S ANGLE?

Oh, he's got a fascist slant. That's all; went to his head like Victor McLauglin. Victor McLauglin had the Hollywood Hussars in Hollywood. Oh, yes, they had horses, uniforms, and everything else -- trained them for riot duty; and, incidentally, there's a couple of individuals who have served in the Hollywood Hussars who are Technocrats. Of course, they were in the movies, you know. They were officers in the Bengal Lancers -- remember the picture? We know the scoop.

WHAT ABOUT THE REEVALUTAION OF THE US DOLLAR IN FRANCE?

You mean they're reevaluating the franc -- that's what they're trying to do. The US dollar is going up in relation to foreign currencies with the exception of Switzerland and Russia. Russia being on a gold basis, naturally we can't hope to compete with her in the capitalist economy. Russia is selling gold in Macao, Tangiers, and a dozen other places around the world. She brought the price of gold, you know, in the foreign markets down from $70-$80 to parity with United States, $35 an ounce. She went out and sold gold until it came down to that level.

THERE WAS AN ARTICLE IN THE PAPER WHERE GENERAL FRANCO HAS SUDDENLY AND COMPLETELY DISAPPEARED FROM SPAIN JUST FOR A FEW DAYS. IT ALSO WENT ON TO SAY THAT IT WAS SPECULATED THAT FRANCO MIGHT BE ON THIS TRAIN TO MEET WITH US MILITARY FORCES FOR A SECRET MEETING. I WAS JUST WONDERING ....

Well, that's the -- you see, the Brewster-Senator McCarran-McCarthy clique down in Washington, they've been trying to pull that along with Farley and Coca-Cola, and, of course, Admiral Connally called on them, but there's too much stink in Europe over Spain. Besides, Spain hasn't much to offer anyway. Of course, the Armstrong Cork down here in Pennsylvania and a few more like to have dealings with Spain; so do a few import companies. But militarily, she's no particular advantage. If we're operating on the fool assumption that we're going to have air bases in Spain -- air bases

against whom? We're as bad as the Irish Air Force during the war; they were neutral; and the Irish air officer asked his superior, "Well, we're neutral, all right, colonel, but who we neutral agin?

WHEN IS CHIANG KAI-SHEK COMING HOME?

I don't know when he's coming home. After all, his brother-in-law is up the Hudson here -- sister -- No, nobody gives a damn about Chiang Kai-shek; he's lost face. He's finished and so are we in Asia, for the simple reason we didn't have sense enough -- our mistake in the Far East way back in 1911, the Sun Yat Sen revolution; in fact, it proceeds farther back than that to the time of the Spanish-American War. President Teddy Roosevelt made the deal with Japan, slightly after the Spanish-American War, to exchange recognition of US sovereignty in the Philippines by Japan for US recognition of Japanese sovereignty of Korea. That was the deal. North Korea has only about 1/3 to 1/4 the population density of South Korea. You see, we've been so smart .... therefore, in the Russo-Japanese War, United States, unknown to the American citizen, was an ally of Japan, and the only reason Teddy Roosevelt wanted to frame the Treaty of Portsmouth was that Japan was bankrupt and couldn't go on. The Russian losses were not as high as the Japanese losses, and the Japanese were at the end of their rope. And when the Japanese demanded the billion dollars indemnity, Konsarvinoff at Portsmouth got up and lit a cigarette and walked out. He said, "We can continue to fight." That was part of our attitude.

So, Sun Yat Sen, being a revolutionary and overthrowing the old Manchu Regime in China, we wouldn't have anything to do with him; and when he came to Washington to ask for aid, we turned him down. He went to London to ask for aid; the British turned him down. He went to Moscow and Lenin sent him General Borodin and 250 assistants.

Well, Chiang Kai-shek, who married Sun Yat Sen's sister-in-law after Sun Yat Sen was dead, when Chiang Kai-shek combined with the gangsters, the landlords, and the warlords in Shanghai and staged the massacre of 1926 and 1927, then Chiang Kai-shek becomes persona grata and acceptable to United States. History has a strange way of repaying it. Madame Sun Yat Sen, kept a virtual prisoner for years, is now a Vice President of the Peoples Republic of China, and if her sister, Madame Chiang Kai-shek, comes back, she will have the kind office of officiating at having her head chopped off in public. History brings some strange revenges. Never kick a man when he's down, unless you're sure he's going to stay down for good. If you are, then kick him plenty; but if there's ever a chance of his getting up, you better look out.

ANY INFORMATION OF INDUSTRY IN YUGOSLAVIA?

They're building a steel plant. They have built the railroad into those coal deposits and through to the coast. Of course, as you know, they have the greatest copper mine in Europe, the Mines d'Bor, and they have a giant set of lead properties in Tropzia. There's been a lot of building going on over there -- highways, railroads, other building. They need machinery. They're building machine tools. It's doubtful if they're going to get the amount of aid that the press, of course, has been playing up, because Yugoslavia is a collective economy, and while it may be anti-Stalin or anti-Russian at the moment, it is certainly not a laissez-faire business enterprise economy of the west. You see what I mean? So, the west doesn't want to help them too much, the Yugoslavs. They only want to help Yugoslavia enough to oppose Russia. Same thing that India has turned us down on and Sweden has turned us down on; we want India to be anti-Russian, and they say no. If you want to help India, all right, we'll discuss it, but if you merely want to help India join you in being anti-Russian and anti-China, you're crazy.

WHAT ABOUT CZECHOSLOVAKIA'S RATE OF POPULATION GROWTH?

Czechoslovakia's population growth -- they haven't the numbers to start with. Great Britain's population today is over 50 million and increasing at approximately 500,000 net increase a year. Italy is 47 million. France has its first major change upward in its birthrate in 50 years.

Yugoslavia is about the same area as the British Isles or Italy, correct? But Yugoslavia has resources: copper, lead, zinc, coal, oil, bauxite, iron ore, excellent timber, and it is not a mined-out land, but it has only one third of the population of Italy and the resources that Italy and Britain haven't got. So, the cards are on the side of the country with the resources and the less population density.

North Korea has only about 1/3 to 1/4 the population density of South Korea. See, we've been so smart that we enticed the population behind the iron curtain over to West Germany, didn't we? Oh, come on over; we will save you. So, they came over. The Russians see they come over, see? Go on, go on, eh? And the same thing in West Berlin, the same thing in South Korea -- oh, you want to go? So, they shove 'em over. We get the population; they get rid of the surplus. Dummkopf!

What are you going to do with the Italians -- the rate of increase -- or the British, or the French -- the West Germans? Argentina? No, the Argentine has got enough of them now. They've got a couple million. Argentina is not a big country. After all, you've got a big stretch in Argentina, you know, that is Patagonia, which is not very livable. They already tried out one Italian settlement down there in the extreme end of Patagonia. Well, they did a good job at building but how many buildings can you put on a territory where the wind is so strong that the tent stakes won't hold, that you have to pile rocks -- are you going to put a lot of population there? Are you going to put a lot of population at Hudson Bay? What -- polar bears? Cross the human being with polar bears and seals, maybe you might get something that will live up there. Even the Eskimo has no sense.

Your populations are proceeding dangerously. It isn't a century away. Remember, in the year 1800, there was less than 800 million population on the globe. Today there are 2.3 to 2.4 billion population. The waste spaces are filled up. So, there's a virtue in more human beings, is there? When you haven't got the resources, the land? Well, of course, you can argue that they all have a soul whether they're syphilitic or whether they're intelligent or moronic. And you can say the benediction over them and bless them, marry them, and have more of them.

Puerto Rico had less than a million when we took it from the Spanish. Now it's got 2.3 million. There should only be 350,000 Puerto Ricans on the island. Now we fly them into New York to work in all the restaurants. Does it solve the problem? No, it just keeps the Puerto Rican birthrate up to 43-44. They can dump the surplus someplace else.

His Holiness the Pope now advises the Italians and others to migrate -- emigrate. To where? After all, Italy has been down there in the Mediterranean in the days of the early Romans. How much of Africa did they ever do? The Carthaginians, the Greeks, the Romans -- just a strip, wasn't it -- thousands of years; and Africa is still black and blacker than it ever was.

South Africa has what? Two and a half million whites and around 8-1/2 to 9 million blacks. Well, who's going to win? Put your bets down on the black to win. There's more of them and they breed faster. Why kid yourself? You can have a black Jesus if you want to for them. What's the matter? Or a black Mohammed, whatever you want to call it. Good salesmanship.

WHAT ABOUT MYRON C. TAYLOR GETTING AN AWARD FROM THE NEWMAN CLUB?

Well, that's their privilege. Myron C. Taylor used to be Chairman of the Board of the United States Steel. He's an Episcopalian worth a lot of money, bought a palace over there and acted as a special envoy of President Roosevelt. He wasn't an accredited diplomat to the Vatican because that would stir up too much fuss here. So we do it around by the back door. We come in by the privy instead of the front door. He possessed savoir faire and naturally his efforts were appreciated by all and sundry. It's perfectly within the prerogatives and priviliges of the Newman Club or the Vatican to award him honors. After all, the Vatican awarded General Donovan a very high order for his services to America in World War II. I think that's laying it on a little --

foreign political power awarding an honor and a decoration to an American citizen for his services to United States in the war, but that's just between you and me.

WHAT ABOUT ANOTHER WAR?

Oh, will we have another world war? Well, the difficulty with having a third war is where are you going to fight it? We'll have to be the aggressor. After all, did you ever know in United States history of American businessmen ever having sufficient foresight to be an intelligent aggressor sufficiently ahead of time to be anywhere? No, they always wait until the procession starts and they jump in the head and lead somebody else's procession, don't they? No, they wouldn't want to be an aggressor. They want the fear of war to continue so that you can pump money for military expenditures and foreign aid into US business here. Practically every big US business is running on government priming -- government credit, but you can't do it all the time. You can't do it for very much longer.

INAUDIBLE REPLY. Now, I may be pretty good, but I never attempted to usurp God's omniscience.

HOW MUCH HIGH-GRADE ORE DO WE HAVE LEFT IN THE MESABI RANGE?

There isn't very much of your high-grade hematite. You've got a few billion tons of low-grade taconite from 22 to 30 percent, most of it nearer 20 to 22 percent; and that, of course, takes a special process of refining. But that's very interesting your asking that question, because I was the consulting engineer in 1919-20 to two of the largest ore mining companies of the country, and I made that report in 1920 stating that the economic feasible ore of the Mesabi and other ranges would be exhausted by 1950. Well, if you'd had no depression, it would have arrived, and you haven't sufficient economic feasible ore of high Fe content to have a World War II consumption again. Is that making it clear? Of course, now there are Labrador and Venezuela; well, but they were advised of Labrador then.

Do you realize how much brains the steel industry had? The Mesabi was back in 1840, wasn't it -- orginally? The cost of transporting iron ore from Mesabi to lakeside Superior is the same as transporting it down the lake to right here; and from lakeside Lake Erie to Pittsburgh is the same as down the lake. In other words, 2/3 of the cost is the rail cost. You could have run the canal into the Mesabi and put a canal down here to Pittsburgh -- 22 feet, and you could have delivered ore for 1/3 the cost now and you would have paid the entire cost off years ago. Check?

Now you want to put a traveling belt to carry ore from the Ohio, don't you?

I UNDERSTAND THEY HAVE DISCOVERED A DEPOSIT OF IRON ORE ABOUT 28 MILES WEST OF MESABI.

No, there's no big field in there. That's been core-drilled and prospected all over. I personally inspected thousands of core drillings covering square miles -- thousands and thousands of core drillings all laid out and all numbered with their key on the map, and there isn't any high-grade ore in there. There's a little left in the steep rock across the line. That's the same formation in Ontario. Now, there is a magnetite farther east in the Algoma District in Ontario. Well, that's a different type of ore.

INAUDIBLE QUESTION. It's business. Now that we've restored his credit and loaned Peron enough to pay off the American exporters, why, we'll do business then.

I think I've kept you all long enough. If those of you from Akron and Kent will stay a moment, I want to talk to you about going back down through there and whether to stop in Kent or Akron on the way back. I don't know how you're fixed for tomorrow or Sunday. How about Sunday?

Well, I've enjoyed it, even if I am soaking wet. Some of you are, too.

You might go on: the Atwater-Langan break -- Milligan openly advocated voting for Henry Wallace. Atwater made the statement that Henry Wallace would get 15 million votes. We said, "Don't be stupid. He'll be lucky if he gets a million." Why, even Henry left his party, didn't he?

So here we are, an organization today that's cleaner and has more vitality and less deadwood in it than it had three years ago come this September. All their legal actions didn't work, and we are today in the State of New York an educational-research organization. GAP IN TAPE. .... three years, it cost us a lot of money for use with legal fees, but the organization has won most of its battles in the field.

Now what have we to look forward to? Some of you Technocrats get out in some communities and you may get a little downhearted just because the Price System isn't falling down about your ears overnight. Well, you take a man that's been licking up a lot of liquor until he gets 56 inches around the waist -- it takes him quite a while to get that corporation. Did you ever see one trying to reduce that corporation? Yes, but he can't do it overnight; it takes a while to get rid of it.

We haven't anything to worry about except our own solidarity and our own cohesion. If we maintain that, we are the ones that have aces -- all aces, not the others; because this system today is living on borrowed time. Right here in Detroit you have an explosive situation coming up, due to what? Crime or immorality? No, not at all. Due to the underlying technology. We are the most prosperous people on earth. Never has a nation in history accumulated so many self-satisfied bourgeois as we in United States.

After all, what is the pattern today? Well, the pattern is to have a Fleetwood Cadillac, a Corona Corona cigar in the side of your face, and to be quite wide across the posterior, and to drive with that kind of self-satisfied smugness that goes with that kind of posterior breadth. Well, you know what it is. You hear kids say it. Why, if they're hit with a Ford -- even if they aren't physically injured, they're spiritually injured. To be hit by a Cadillac, that's all right. At least he was hit by a big wheel. But one of those damn jitneys, it's an insult.

Look across the country today. There's one word that the financial controllers and the special interests of this continent do not like and are afraid of. It's "saturation." We have in United States today 49 million registered, licensed automotive vehicles -- trucks, busses, and cars -- approximately 34 to 40 million passenger cars. There is a capacity in the automotive industry of passenger cars alone of 10 million cars a year on a 48-week basis, 40 hours, single shift.

Do they know what to do if they had 15 million more passenger cars licensed than they have now? No, they don't. The roads won't take them and the hospitals aren't big enough. The Jersey Highway to Pennsville Ferry was blocked the last holiday for approximately 20 miles out for 7-1/2 hours. People died; women had babies; others fainted; and the ambulances had to go over the front lawns and the flower gardens. What? Were any of those citizens breaking the law? No, they were not. They were all fairly decent citizens, forthright, trying to get somewhere for a holiday, but the trouble was that they all wanted to go in the same direction at the same time.

Now, in one of these beloved democracies -- pardon the word -- that we have, it's all right so long as only a minor percentage of our population want to go in a certain direction; but the moment that any great number of our social society tend to go in the same direction at the same time, there's hell to pay.

Now if you look back, World War I gave this country and its technological capacity its first great impetus. That, of course, necessitated foreign loans, installment buying, and even Hoover instigated and organized the RFC. The only trouble was that he made the RFC an inch-and-a-half pipe line when he should have made a 36-inch pipe line.

World War II threw in more and more capacity. Then we had the postwar boom; so that last year, in 1950, our gross national product was $280 billion. There was a 25 percent deficiency in national purchasing power. Our national budget for last year was how much? Seventy billion, wasn't it? Armaments and everything included, or, in other words, equalling the deficiency in national purchasing power.

The inflationary spiral that we are in today in Canada and United States bears no relationship whatsoever in its symptoms, trends, or characteristics to the inflationary period of Germany, China, or any other place on earth for the simple reason that in plain monetary inflation you merely change the indices on the price tags, the numbers on the bills, but that the physical process goes on the same; while here, we take the taxes out of the populace to support free enterprise and to build new plants and new equipment. And the new plant capacities that go in are more modern, more highly productive than anything that ever went before.

Try and visualize, if you can, the physical process of producing physical wealth for thousands of years was so slow that a bond issue had to be on a hundred-year basis. Why? Because human toil and hand tools could not create a great enough increment annually to pay off the interest and principal and amortize it out in less than a hundred years; so, therefore, so long as the world had those conditions, there was no hope for 95 percent of the population of this country or the globe, so long as the production of physical wealth was dependent on human toil and hand tools.

In the last fifty years, the acceleration has been terrific, and you might say -- copying Hollywood -- in the last twelve it has been colossal. The Corrigan Plant over there in Cleveland, the new paper plants in the south -- remember that their amortization basis is not 100 years. If they run at 75 percent or more of capacity, they pay off in less than thirty months. We have equipment operating today in United States -- for instance, there is the Greenlee outfit, it costs around $1.8 million. This is a small case. If it operates at 75 percent or greater of its capacity, it will pay off in 5-1/4 weeks.

Here is the capital payoff time, where for thousands of years it was only once in a century; namely, you could only pay it off and reinvest your principal once in a century, once in a hundred years. That rate has been multiplied by science and technology to where it is now -- with the latest equipment in United States -- 964 times a reinvestment of the original capital in a century.

Not only does the modern application of science and technology produce more and more in the way of physical goods with less and less man-hours, but it reduces the capital payoff time to weeks. Where are they going to reinvest their money? Why, they're going to reinvest their money in still faster capital payoff times. You begin to see it? In fact, the only thing they have left for large blocks of capital is to invest it in selling the present equipment short by putting in new ones.

One of the members of the Continental Board is chief of design of the world's largest hydraulic press -- 68,000 tons per square inch. It requires to feed that press an extrusion press of 22,000 tons per square inch several floors below ground and several times that number of floors above ground, but with those pressures -- did you ever see a spaghetti machine work, where it comes out in a flood? Well, you can put stainless steel in that press and it will come out just like spaghetti. And our armed forces down in Washington said, "Well, if it can do all this, let's order fourteen of them!" They don't know what the hell to do with one, let alone fourteen!

How did it get to be 68,000 tons? We'll tell you. They took a model down to Washington. They had it in the Pentagon Building, and the chief question regarding it was, "Well, what have the Russians got?" That was the main concern of the top brass of the United States, both political and military, when they were told that the world's largest press up until now had been built in Germany and operated in Germany, but that the Russians had removed it and that it was 33,000 tons. They said, "Well, let us have one twice as big as what they've got." I'm telling you this to show you how asinine -- not a question of a technological requirement -- oh, no. Do you require a press that large? It doesn't make any difference -- how big is the one the Russians have?

Well, what could you do with a press of that size? If you want a side of a freight car, a whole side, whether you want it out of 3/8 metal or 1-inch thick steel, it doesn't make the slightest bit of difference -- oomph --one side, just as fast as that, as fast as you can touch the trip and take your foot off. Want an entire top half of a wing of a plane? You do it in two halves and put them together. Well, it does that just as fast. You say, "Wait a minute, it's 200 feet long." That doesn't make the slightest bit of difference; it will do it.

General MacArthur said the boys would be home by Christmas, didn't he? They're not anywhere yet, are they? They're still there, and, of course, Hazardous Harry, when things get too much for him, he goes for a trip on the yacht. Well, don't blame him, it isn't his fault; he tries. After all, when he was a road commissioner down in Missouri, he went in to Big Tom and said, "Boss, I'd like a transfer to the tax department." He said, "Well, Harry, what for?" "Well, he said, "I've got to have more money. I've got to have $1,500 a year more." "$1,500?" "Yes," he said, "I really need it. I've got to have it. How about it, boss?" "Harry, we'll make you a senator." And he said, "Boss, I don't want that. I just want a job in the tax department." He says, "Hell, Harry, I said we'd make you a senator. It doesn't matter what you think about it. You'll be all right. We'll elect you." Well, they did, and the public is just as happy as if he weren't elected.

No, it's a pretty sad and sorry situation nationally. You try to realize that our foreign policy and our internal policy -- if you can use those words at all -- are a matter of one expediency after another. We're always trying to get out of one hole into a larger one. I don't know whether any of you ever remember "Ben's Father" cartoons in World War I. They were on the front page of a number of magazines, where two of them were down in a shell hole, one with the old walrus moustache and the tin helmet on, and one is cursing blankety, blank, blank, and so on, and the other one says, "Ah, what's the matter with you? C'mon, Bill, if you know there's a better hole, go to it." The trouble is they don't. No wonder they're frustrated.

What kind of a situation have we? What's our productive capacity, and where do we stand nationally, and where do we stand internationally? We have so much distilling capacity in United States today that the distillers of USA -- leaving Canada out and not including that of liquor held by liquor stores, saloons, and distributors -- if they never made another drop of liquor, they could supply the present national consumption for eight years and four months. Whose figures are these? The National Distillers Association. Even they admit they're goofy.

Automobiles you'll find all over the country and trucks. The same situation exists in farm equipment, construction equipment. They had auction sales of construction equipment the other day, and there was so much construction equipment, they were disappointed. Some of it only brought the price of scrap. Good equipment.

Well, the National Cash Register is known around the wrold. It has a few competitors, yes, but there's one cash register in United States for every 32 Americans -- men, women, and babies. "Marvelou," isn't it? Is there any future for it? Well, not unless you have one in the johnny and one in the kitchen and one in the dining room.

Here's this word "saturation" coming up again. What does this country do with <u>one</u> for every 32 Americans? Do we need that many cash registers? Oh, no. Well, 56 percent of the income of the National Cash Register comes from abroad today, not from United States and Canada. The only hope they have left is somewhere else in the world, not on this continent, their own home. The Burroughs adding machine has completed a beautiful new plant over on the Clyde in Scotland. They're making parts for the machines in United States now, and the new improved Burroughs adding machine, which will be marketed the world over, will be made in Scotland, not in USA. Homo Sapiensus Americansus -- mostly SAP.

Here we have supplied the money and the material in gigantic underwriting both during the war and since. We've held up Italy, Great Britain, France, Belgium, Holland, Denmark, Norway, Greece, and Turkey, let alone all of South America. We've pumped approximately $6 billion into Chiang

Kai-shek's National China and equipped how many divisions? Over 100 division. Where are they today? Well, Chiang Kai-shek is in Formosa but the divisions we equipped have a star on them. And you have the Peiping radio used to broadcast during the fighting that Chiang Kai-shek was chief of their supply division, and they would thank the United States for supplying the arms.

Syngman Rhee in Korea was out of Korea for over 30 years -- almost 35 years. He lived in Austria and married an Austrian. Start thinking, will you? An out-and-out reactionary, he cannot even speak good Korean anymore. Bao Dai lived in France and married a European. Here, we in United States, in the last 12 to 15 years, have underwritten every reactionary bum around the globe.

Now you go to any Chamber of Commerce and any Board of Trade meeting, and they swell out their chest and they think they've done pretty good because it's brought them more business. Yes, temporarily it has. United States funds have under construction, completed or will be completed before spring, oil refineries in Western Europe that will have in excess of one million barrels a day refining capacity that did not exist there before. We've built new steel plants -- how many? What is the steel capacity of the rest of the world exclusive of the Iron Curtain? Why, even Germany is in excess of 12 million tons a year -- Western Germany. Britain is running between 17 and 18 million tons. We've stepped up what? We've stepped up the resource consumption by installing American plants. The money was supposedly to go over there. No. Most of it was spent here underwriting American private enterprise to supply them with brand new equipment.

We've had Technocrats who have been all the way practically around the globe installing new equipment -- a cement plant in the Philippines, 150,000 tons a year .... from Milwaukee. Oh, yes, we've built the Volta Redunda in Brazil and two other steel plants. The Armco is building a beautiful new steel plant in Argentine. A $100-some million plant in Chile is completed, but we're also building steel plants in Venezuela, Colombia, and Peru. The Arthur G. McKee Corporation of Cleveland has the $46 million contract for the brand new steel plant in the Republic de Colombia. Now there's a joker to all this -- just have a laugh. The only coal in Brazil comes from the Rio Grande de Suel. It's of such high moisture and high sulfur content that you can't coke it. So, in order to get coke for Brazilian steel plants, we have to ship them 65 percent of the coal requirements from US coal. The only other place they can get it is from South Africa. Buenos Aires and Rio are running on South African coal.

Over in Japan, where they had a steelcapacity of 11.7 million tons, the Japanese have paid out tremendous sums in research for years trying to find the process that will coke Japanese coal. They have two different coal deposits. They are high cost and they are non-coking coal. In spite of all their research, they have never discovered -- and won't -- a process to coke Japanese coal. But Japan is a little better than Brazil. They only require 55 percent of American coal to make coke.

Japan, previous to the war, was the great cotton exporter of the world. Japan was the greatest rayon producer of the world prior to World War II. In 1939, Japan exported 2.3 billion square yards of cotton goods a year.

Japan's population is moving higher and higher every day, while its empire has shrunk to the original islands. There are 84 million population in Japan today, an annual increase in excess of 1.6 million a year. It has no iron ore. It only has a little oil, about 2 to 3 million barrels a year. Who is going to supply Japan with iron ore, with coal, with cellulose, that is, cotton, wood pulp, and other metals besides copper. Japan has excellent copper. Are we going to do it? Well, we're short. We're running out of copper, lead, zinc, hematite ore, and petroleum. United States is no longer a surplus oil producing nation. True, we're doing 6,200,000-odd barrels a day, but then our consumption is well over 7 million a day, and we're importing a million a day, and this, of course, is where Iran comes into the picture.

US and the British are finished in the Middle East. They might just as well get out now and get out gracefully before they have to do their face up in burnt cork and get out in the dark of the moon in low gear. It's only a question of time. Iran has passed its nationalization law and

and means it. We've exploiting them, whether it's the Chinese or the Iranians or where. We've looked down our noses at the yellow race or any other race. We were the big wheels of the globe. Why, sure, didn't we make more automobiles than anybody else on earth? Didn't they say that in Detroit once? They're still saying it.

I'm trying to give you in a very short time and a very sketchy manner a sketch of the process of the trends that are going on. The United States and Canada of today are not the Canada and United States of 1914. They're totally different. Back in the early thirties -- before the late twenties, when I was taken through the first strip steel plant, they showed me with pride where it was running at the marvelous rate of 480 feet a minute. Yes, that was pretty good, considering that it had never been done before. Your Jones & Laughlin strip steel plant is rolling at 6,800 feet a minute. The designs on the drawing boards now for the new steel plants call for 10,000 feet of 160-inch width steel a minute -- 70,000 horsepower motors. It only requires 12 per shift. Well, why not? This is what Technocracy has been trying to drive home.

You're moving up in every single field. We have a plant today -- a couple of them -- where the invested capital in equipment -- not in building or land, but in equipment -- is almost $3 million per employee. Isn't that wonderful? The only reason they have the employees is because they have no control over the gathering or the disposal. If they did, it would be completely automatic like an automatic power station. What do the employees do? They look at meters and they read books and funny papers. I've no doubt they even read Buck Rogers, because they have plenty of time on their hands.

Well, this is the trend. Remember there's only a few of these, but the trend is toward that. Textiles and steel are two of the most backward, obsolescent processes industrially that we have. The old spindles and looms -- everybody is familiar with them. We've had firms in this country building our textile machinery for years. Yes, there was some improvement. Up in New England, they built the Draper Double X loom. When the Japanese came over here some years ago and wanted to buy Draper XX, no, sir, we're not going to sell our beautiful textile equipment. So, the Japanese went out in the open market and bought up secondhand junk, took it over to Japan, turned their engineers loose, and out came the Toyata loom, 2-1/2 times faster than the Draper XX.

When the Colden boys tried to sell their process in shoes to the United Shoe Machinery Corporation, of which there is no other, no, they didn't want it. They were making money fast enough. So the Japanese took them to Japan and gave them the equipment, the aid, and the financial support, and just before this World War II, the Japanese were shipping shoes to London and to Europe generally for next to nothing a pair. Why? Because every time a sawed-off Nipponese slammed his foot down on the trip, he put the soles on 262 pairs of shoes in one bang! The Goodyear process? Well, why sew them if you can put them on with a hydraulic press. Simple.

After all, nichrome steel came to the automotive industry not because of any vision or judgment on the part of the executives of the automotive industry of the United States and especially of Detroit. The engineering departments had all approved of it, they had all made tests of it, but a consolation party was given out here at Grosse Point Yacht Club, and after four double martinis, the wife of one vice president comes out in the nice sunshine of the last of June and -- we'll say his name is Georgie -- she said, "Georgie, I want that,." He said, "But, darling, that's an experimental test car." She says, "I don't give a damn; I want that." And in order to shush her up, he shipped a brand new Cadillac to be made that way; and when all the other vice presidents' females saw that one, they had to have it, too. So, the nichrome steel came to the automotive industry. The female is pretty powerful in United States.

No matter what field you're in, the same trend is on. In catalysis in chemistry and synthesis, we're going to knock the roof off in the next two years. Cortisone from Mexico, yes. But now your latest announcement from Britain is you can synthesize it from toluol cheaper than that. Well, why not? And we can build chemical plants to make it just as penicillin. Remember when penicillin was way up on the roof? You could still sink it a lot lower, but you're making it on mass production.

Where is all this leading to? We've all got automobiles, radio sets, and refrigerators out in the kitchen. Of course, if you're really in the dough, you've got one of these great big 20 inch, the latest tube out is a 32-inch tube. Use the wall on your bedroom. You don't go to the movies; you have a show all by yourself. I don't want to give you any bad ideas.

Our elections, of course, in United States are coming next year, and the powers that be would like to keep this inflationary spiral moving up, at least until election.

Abroad we're taking on every bum that we can find: Franco, the King of Greece, Chiang Kai-shek, Bao Dai. If there were any more bums around on the international scene -- oh, I forgot Salazar of Portugal -- we'll take on Peron, we'll even make Evita vice president. Why not? Good looking dame. Besides Buenos Aries, it's far enough away that it doesn't matter.

Well, is Franco going to be any help to us? No. A resource-deficient nation -- internally it's in a bad way. Would the Spanish fight? Yes. Would the Spanish fight the Russians? That we don't know about. They'd sooner fight the Spanish.

Will the British fight? Why should they, they've 'ad it. The West Germans, they've been liberated, too.

Over in Korea, they've suffered the greatest desolation of any acreage on earth. Over 10 millio homes have been destroyed, over 3 million South Korean civilian casualties, let alone 265,000 to 300,000 of the South Korean military; of course, when we mention Korea in the press, they forget to tell you that 12,000 of the United Nations forces went AWOL. Yes, sir. They're not listed as casualties; they're listed as missing, if at all. They're not listed in the official missing list. Why? Because they're AWOL, aren't they? Right. Therefore, they're not missing and they're not dead. They're just AWOL. To show you that figures do not lie but liars can do some awful figuring.

Well, what are the chances? The whole propaganda is that Eisenhower is going to build up a defense of the west. To impose an armament race on Western Europe means lowering the standard, means increasing the living cost and impoverishing the nations of Western Europe whether they wish to or not. Try to understand that.

Norway is in just as bad a position regarding food as Britain. The Norwegians have to go to Sweden to get a meal. Of course, if you're a Churchill in Britain, you can get your income from the articles in LIFE paid to you in Portugal and go over to Casablanca and paint pictures, but the rest of the 50 million-odd Britishers cannot. They have to live on their austerity. They've done a marvelous job in Britain in revamping a lot of things. Remember in Britain today, they have less strikes, less man-hours lost due to labor disturbances than has ever been in British history. Their health is better. But what do you hear in the US press? Why, that Labor-Socialist Government is b-b-b-b-b-b -- they're bringing the British to perdition. The only trouble with the British Labor Party is they didn't carry the revolution far enough. They'll have to complete the process or go down. And next month, you'll receive some indication at the TUC -- Trade Union Congress -- and a further one at the meeting of the Labor Party in October. Manurin Bevin is sweeping the British Labor Union into his fold and support. If he succeeds, you can kiss the Atlantic Pact goodbye, because it won't be even good tissue.

Some financiers a little while ago asked me about Eisenhower. Well, Eisenhower has gone to bed twice in the last couple of months for some days. Look at his face and he shows it. He isn't going to make the grade. He'd better come home before they bring him home. Eisenhower is a commander with a war record, yes, but he was no strategist. Politically he's a smoothie. A smoothie is one who always shaves a posterior before he kisses it. I'm not deprecating him unduly; I'm just giving you the label of what he is.

Do you expect a Taft or a Dewey or a Stassen or a Warren in the Republican Party or their like members in the Democratic Party to solve any of our national problems -- or international? Is there that kind of leadership in any political party in United States or Canada today? And the answer is no, there isn't. The unfortunate part about our national political leaders in Canada and United States is that the stumblebum at the top is only as good as the stewbum at the bottom, except he's a little cleaner. We've gotten into a mess in Korea. We're into another one in Iran, and we may be in another one in Indochina; and if we can get the British to land troops in Egypt and Iran, we'll be in a swell mess in the whole Middle East.

Some of you have children -- some of you have relatives -- in the armed forces. Well, you didn't quite know what they were fighting for in Korea, but if they go to the Middle East, they can at least die for the dear old Standard Oil. That's something; but it isn't going to solve our oil situation. Failure of one or two oil fields in United States -- remember, we haven't got it anymore. We're drawing in over a million barrels of oil a day, and we'll shortly have to pull in two and more millions a day. What's going to be the petroleum consumption in United States in 1952 if you run the automotive industry at its present rate of production, plus the other industries that produce engines -- tractors, boats, etc, planes? The fighter plane of World War II that consumed 56 gallons an hour, well, what does its jet counterpart today consume? Two hundred sixty gallons an hour.

We have advocates, Senator Lodge and others, who are advocating a 180 Group Air Corps. That means a lot of money. And if the Air Corps can get that allotment, then the Army and Navy are not going to have anything left. That means a war budget of $100 billion a year. Isn't it lovely? If you think you're paying anything now, wait a while.

You know there's that old story about the man who was caught in an embarrassing position in the wringer. Well, wait until he jumps on the handle! Your inventories are going higher, and in spite of the transfer over to armament work, we are still accelerating our production of consumer goods. With the new plant capacity going in, it's 8.7 million kw being installed in your utility industry this year and in excess of 12 million kw new capacity for next year. Isn't that going to be wonderful -- there's going to be power galore. Canada, of course, is doing its share and will come right along with a lesser amount, of course.

The steel industry is going to be between 120 and 130 million tons a year. Of course, right now we're consuming for tin cans -- about 24 to 26 billion cans, not millions, billions. The days of millions are gone. You're just a piker if you talk in millions. The old hothead, you know, who used to blow his roof talking about the millions -- can't do it on heroin anymore, you've got to go to Washington. Well, this new capacity that we're throwing in -- power, steel, chemicals -- every single field, by next year, we'll have sufficient capacity in United States to produce a gross national product of between $340 and $360 billion compared to $280 billion last year.

In 1950, there was a national deficiency in purchasing power of 25 percent, but when you run the GNP up to $340 to $360 billion, the deficiency will be nearer 29 percent. Then what do we do? Raise the wages again, raise the salaries, raise the prices, the railway rates, the express rates, the telephone rates, and raise the taxes to pay for it. Well, how many times can you do this? We're running near the end of the rope. Remember that famous fight that the two negroes had? Razors were very sharp and they made passes at each other, and one of them said, "You didn't touch me." The other says, "I didn't touch you? Man, just wait until you shake your head!" Well, that's more or less the position we're in.

We want war in United States, I regret to say it. A limited war or an unlimited war in a limited area such as Korea is not big enough. We want an unlimited war of indefinite duration around the globe because we require war to hold up this inflationary spiral. This social and economic system of ours, in other words, today requires war to hold it up; and our point is that any social system that requires war to maintain it, we'd better get rid of it before it gets rid of us. I'm not speaking of peace from a standpoint of Russia or any other place. The prerogative

of this continent, that if we had spent the money we've squandered in the ratholes around the world in the last ten years on this continent, it would have rebuilt the continent of North America -- rebuilt it from soup to nuts.

Instead of a 4'8-1/2" gauge railroad system, we could have had a 3-meter gauge. We could have had a continental hydrology underway and a great deal of it completed. Now, Canada is getting so mad that she proposes to build the St. Lawrence Seaway herself. More power to her. Canadians are rather funny people. Out in Saskatchewan, they're building a dam at the elbow on the South Saskatchewan. Now I can't tell you how it happened, but the elevation of that dam when completed will be exactly the elevation of the dam that we would require for a continental hydrology for the later flooding of the Qu'Appelle Valley. Well, maybe we can do it by indirection.

After all, look back at the history of this organization. We were the first to advocate the cotton picker, the sugar cane harvester, thermodynamic heating, centrifugal casting of metal -- why go on? Remember when Henry Luce in FORTUNE published the front cover of TECHNOCRACY MAGAZINE in 1935 or '36, saying that the Technocrats are using the cotton picker to frighten the American bourgeoisie? Today, of course, Henry's magazine is publishing full page ads in color of cotton picking companies and their production. There's a funny way of boomeranging; and, of course, the things that we said down south then have come true with a vengeance.

When we pointed out to the southern states: put in the equipment, and the problems which you now have which are peculiar to the states south of the Mason-Dixon Line, you'll have no longer; because those problems will become the problems of the nation. When you can pick cotton so cheap that you can't even afford to rehabilitate the poor white -- and the negro with them -- then the poor white and the negro are going to leave the southern states, and those states north of the Mason-Dixon Line are going to have that problem -- and there's empty housing in the south. Well, where did they move to? They're moving north and west -- and why not?

After all, whether they're black or green or yellow, whatever their color is, don't forget they're Americans, and they're our problem and nobody else's -- and there are 13-14 million of them. After all, you can't talk, like Lincoln did, of sending them back to Africa. There are too many of them. Besides, up north, the politicians have discovered they've got votes.

Now, if we had 5 million Mohammedans in United States, why we'd pay off to the Mohammedans for their votes. We pay off to the labor bloc, the farmer bloc, the railroad bloc, the power bloc, the mining bloc -- very soon we'll have to pay off to so many that there's no payoff left.

You can run any racket under a Price System provided that you can pay out 80 cents of every dollar you take in. Everybody is willing to get in that kind of racket, but when you can pay out only 20 cents, they leave you for greener shores. Well, we're headed to it. We're not going to solve it by Christian Conferences or new elections, because you're going to elect just another set of jackasses slightly different from the ones you had previously.

When anybody proposes that we Technocrats run for political office, bear that in mind. It's got to be a physical change of conditions. Howard Scott in the White House wouldn't be worth a damn -- not today or any other day. The White House might be a historic building, but let us in our thinking leave it as a historic building, a nice building for antique Americana.

There has to be a change of concept on the part of the public. The public of United States and Canada has enjoyed the greatest prosperity mankind has ever known. They're apathetic on one hand and they're scared to death on the other. They're frightened they're going to find a "red" or a subversive under the bed or under the washbowl.

You go to any bar or restaurant, what have they got? They have the television or radio turned on so loud that you can't even hear yourself drink a glass of beer. You ask the proprietor, "Well, do the people like this?" "Oh, yes, yes, they like it." "If you turn it off, what would

happen?" "Oh, no. They want it turned on." "Well, what do you think they want it turned on for?" Well, some of them are a little more observant than others, and I'll tell you. The reason they want the radio or the TV on is so they can say something to the one next to them and it won't be overheard, because they're scared to death to say anything even to themselves.

Try to picture to yourselves the entire complex of the American scene. United States today has 3 million less employed in agriculture than it did in 1946. The employment -- this is total employment -- the total employment in mining is declining. Has the total employment in manufacturing risen? No, but the output is rising. Now those of you who belong to labor unions, you have pension plans. You also have those with pension plans who do not belong to labor unions. The present pension plan, of course, is merely tacked onto the price, but in most cases of company pension plan, the pension plan is not transferable from one industry or one company to another. The pension plan should not be corporation pension plans; they should be federal. Let's get that clear, because all this is doing is just tucking it in, just the same as the present amortization policy of our armament industry where you're permitted to amortize out 25 percent a year. How is that done? The 25 percent is added in, then the profit and depreciation is calculated on top of that. You begin to see it? Wunderbar! Oh, magnifique! And who pays for this? The average citizen of the country pays for it, and the trouble is, he's such a self-satisfied dumb jackass, he doesn't know it -- and he wants to elect him back into office so he can get more of it.

Now with the new equipment going in, remember that's a very small percentage of the total equipment we have, but the little man is getting squeezed tighter and tighter, whether he's the little businessman, the little farmer, or who he is. Figure up the national scene: where are the 62 million so-called employable employed? Where are they? They haven't increased in agriculture, they haven't increased in mining, and they haven't increased in actual manufacturing. Well, then, there must be a terrific increase in all these parasites, these fleas on the backs of lesser fleas -- you know, and so on, ad infinitum. A terrific increase, yes, but you could only maintain that kind of an increase provided there's a continually increasing spiraling inflation. So long as you can add it on today and collect tomorrow, but there comes a day when you cannot carry it any longer, and we're rapidly approaching that.

Our national situation is not one that is going to be critical 25 years from now or 10 years form now -- oh, no. Washington and Wall Street hope to God that it won't happen before election. They're trying everything possible. The only trouble is that we haven't been able to start a big enough war anyplace to pump enough in -- not that war would cure it, oh, no, just temporarily. It sets aside the so-called civil powers and the ordinary rules; in other words, instead of playing straight poker, you play with all the cards wild, and when you play cards on that basis, it's an infinitely short time to where the cards have no spots at all. Then what do you do? Well, that's what Forrestal faced, that's what Dugan, Wynan, Sumner Welles, and all these people psychologically faced. .Forrestal jumps out a window, Wynan blows his brains out, Dugan jumps into a snow bank, but he missed it. Bidault in a jail cell arrested by the FBI, he got a gun somehow, so he shot himself. Another one was found in the Potomac with his throat cut. Charming people, aren't they?

They talk about juvenile delinquency and the dope traffic. Well, anybody that has any knowledge at all knows it's very simple. After all, there's one simple way to handle the dope traffic. You just open federal clinics. You fingerprint and register all the addicts and you get it free. Very simple, isn't it? Then you know who they are. They don't have to pay for it, but does anyone want a solution? No, they don't want a solution. They just want a new gang in. You change collectors, in other words.

Juvenile delinquency -- what are they trying to do? They're trying to blame it on the parents and the home. Well, that's a very skillful attempt to pass the buck, but they're hypocrites, because the home -- what home have the kids got, if the parents, for instance, have to hold two jobs in order to maintain it? There are more married women employed in outside occupations in United States today than there are single women, and there's a terrific number of married women and married men holding two jobs apiece in a vain attempt to maintain the so-called home under

the rising costs of this system; and then someone has the damnable impertinence to suggest it's the parents' fault, that they should train their children.

I'm trying to give you a series of pictures. Here we as a nation are in a dangerous position in the resources of petroleum, of copper, lead, zinc, and hematite ore. The hematite ore in the Mesabi for a World War III on the same consumptive basis of World War II does not exist. CHQ has advocated ore from Labrador and Venezuela for years; in fact, it was 1920 when I was consulting engineer and wrote that report on the Mesabi in which it was stated that, "The Fe content of the ore bodies in the Mesabi and Cayuna Ranges will decline as a function of depth and the economic feasible ore, if continued at the existing rate of consumption, will be exhausted by 1950." I lost my valuable account, United States Steel, because Judge Gary said that my report was inimical to the best interests of the steel industry of United States -- 1920! Well, too bad the judge isn't alive. One of us would have a laugh. His brother, you know, was a faith healer. That's a fact, he was. Not that the judge went in for that kind of faith.

We're faced with a similar situation in every single field. Now try and realize that the traffic jams at the Pennsville Ferry were not due to the immorality of the thousands of car occupants; it wasn't due to any juvenile delinquency; it wasn't due to any deterioration of their spiritual health -- it was due because thousands of Americans carrying out their legal right wanted to go in the same way at the same time. They landed in a jam. Well, millions of North Americans all want to go in the same direction today at the same time. They want security, they want peace, and they want some psychological-emotional stability to the economic and social order into which they can be human beings with some integrity. Today, you can't make the grade and have the slightest vestige of integrity left. You can only do it by undermining whatever stability you have and breaking all the laws. You know it and I know it.

This technological avalanche which we're headed to -- we've been carrying this on, as you know, for a number of years. We have made minor errors of <u>omission</u>, but strategically we have made no major errors of <u>commission</u>. It's pretty difficult to maintain it -- the position. It's tough in your community, and it's just as tough at CHQ -- $35.00 a week less tax is $30.90. That is what we all get. A stenographer doesn't get any less than I do. Now you can say that's maybe one of my crazy slants, but I prefer people who are going the same way as I am, that burn their bridges behind them. I don't want anyone in CHQ with any reservations on anything. That's hard, I know; and, of course, some of you accuse me of being a cold-blooded monster at times. Well, if I had been one of these flabby emotionalists, we'd have stepped into a lot of traps before now, brother, because platinum handcuffs are very easy to take but they're <u>damn</u> hard to get rid of.

We have tried, and we have maintained the integrity of the organization be where it is -- Hawaii or Alaska. They send in money from Alaska to send them literature -- bundles of it -- by parcel post express. That costs them a small size fortune to ship it up there by plane, but, after all, they're Alaskans and they pay for it.

Stop and think of the influence that we have had. We've done it with money -- we've gotten into political office? No, but yet we've had more effect on this continent and its thinking and of the world than any organization ten times our size and a hundred times or a thousand times our economic wealth -- which is what? You find the British publications today using our phrases. Where do they get them from -- out of the NEW YORK TIMES? Not exactly, the NEW YORK TIMES belatedly admits.

I'm glad to announce, of course, that one of the worst of all Americans, William Randolph Hearst, passed to his just reward. I have the original telegram, signed in his handwriting, which was sent out to every Hearst official that the name "Technocracy" was not to be used under any condition whatsoever. They were subject to dismissal and severance from the Hearst organization if they did so. That I consider one of the nicest mementoes that we have.

Don't forget that during the war the G2 came to see us, and they had just received from abroad the first photographs of the German Tiger tank, the Mark VII, and the Russian Stalin tank, and they said, "Mr. Scott, do you think that the Germans and the Russians could have gotten hold of Technocracy's tank design?" And I said, "On what basis do you make that statement?" "You know the Stalin tank has a 122-mm. gun in the turret and Technocracy called for a 120-mm. gun in the turret, only 2-mm. difference." "Well," I said, "after all, you had full knowledge of our tank; it's quite possible." It didn't quite dawn on them for a moment what the implication was. "You mean that officially it leaked?" "Well," I said, "after all, we told them nationwide. You had it but didn't do anything with it." So it kind of hurt a little. "And," he said, "do you know what the latest rumor in Washington is? That the Communists in United States follow the Moscow line, but that Moscow follows the Technocracy line." I picked up the phone and spoke to Miss Dennis. I said, "Would you bring a pail in here?" She said, "A pail? Good heavens, Chief, is anything wrong?" "No, no," I said, "bring a pail in. I want a pail." She brought in a pail. I said, "Give it to the general and take him out to the tap and turn on the tap and get the latest pailful from Moscow." I mean, how stupid can you be?

After all, we had an American who developed smokeless powder. He never got a break here. You know him historically much better as Sir Maxim -- the Maxim machine gun. An American -- he had to go abroad to get any recognition.

One of the best tank designers the world has ever seen died of starvation during this war with two of his tanks in the US arsenal. You'll notice that the suspension of the Stalin tank the Tiger Mark VII MK IV is different than ours, but they're a copy of the American designer that died of starvation. The foreigner could copy our brains but we couldn't use him.

The chief medical officer on Guam went out there before the war. We were having dinner with a number of others, and he said, "Well, what do you think?" "Well," I said, "if this war -- it's pretty sad because the Imhaus fuze you have in your anti-aircraft batteries -- the gun, the rifling had to be adjusted because their German clockwork mechanism -- and our rifling was so fast, too many turns, so we reduced the rifling in order to accommodate the Imhaus fuze -- the net result of which will be that if the Jap planes sail overhead, your ack-acks won't reach them." And his wounded out on the beach were bombed with the ack-acks going full blast. Their bursting height had been reduced quite a few thousand feet. We had a perfectly good anti-aircraft shell and the timing mechanism by an American, but we couldn't use that. We had to buy the American rights from an American corporation of the German invention!

What's the matter? Haven't we any brains in United States -- we that produce all these beautiful automobiles with all the chrome gingerbread? The answer is: the brains aren't in the right place. You have to be a politician, a racketeer, or something else today to have it count, and we're in that unfortunate position that, unless this country develops a new type of leadership and a new type of thinking -- remember, it isn't the Russians, the dirtiest thing the Russians could do to us is leave us strictly alone, and we'll pile it so damn high, we'll be up to our eyes in it. It's tough. Who's doing the situation today -- the Russians? No. The Russians are carrying out their own strategy, their own skullduggery. We're the ones that are going to make it tough for North Americans. Why should the Russians come over here and bomb anything? For the simple reason: In Greater New York, the metropolitan area, there's the greatest density on the surface of the globe of chiselers who can do more damage to this continent than all the atomic bombs the Russians have. Think it over! And yet you have damn fools -- successful men, but they are damn fools. Hoffman of Hoffman's Ginger Ale out in Clinton, New Jersey, goes into the side of a big hill and builds a gigantic bomb shelter that you can drive trucks into. We were over there. The average American hasn't any such money to build bomb shelters. We're going to stay and face not the bombs but the increased cost of living and a transition -- a social transition -- which is going to be painful, and the danger is it may be totally anarchic. God help this country in a crisis if it's going to be managed by Republicans, Democrats, and the businessmen of United States.

QUESTION PERIOD

IT'S PURELY CONJECTURE IN THE CIRCUMSTANCES YOU HAVE OUTLINED TONIGHT, BUT WOULD YOU GIVE US YOUR VIEWS OF CHANCES OF US GETTING INTO A WAR WITH RUSSIA? WILL THEY GO FAR ENOUGH?

Will who go far enough, the Russians? Well, where are the Russians? They're not in Korea; they're not in Iran. I'm not defending the Russians, don't misunderstand me. I've no use for the Russian system, political, economic, or otherwise, and Communism may be radical enough for the Old World, but it's so damn far to the right on this continent, it's bourgeois. It smells like the American businessman. We get that farm, I'm going to raise big dogs, and they're going to bite a businessman in the dark by smell.

I mean try to understand this. What we are proposing is something so far beyond Fascism, Communism, or the so-called free enterprise system that it's hard to visualize. The Russians don't like us either. Why don't they like us? Because, after all, we're up at the top of the board; they're only "meanies" down here. What's the size of their agro-unit? 2,500 acres. What's the size of ours? Around half a million, isn't it? We should bother with that junk? Who wants to go back to a Model T? Could you give Model Ts away today, let alone any other car? Well, we have the equipment on this continent; we don't have to copy the Russians or the Italians or anybody else. Let's, for heaven's sakes, be American and develop something which is endemic to our own science, technology, and our own geography and climate and people.

Now as far as war is concerned -- what? They'll try every damn thing on top of earth to get a war. After all, in Korea the whole world was told openly by China that if you cross the 38th, they would not tolerate it. Just as in these truce negotiations, we opened the invitation on the basis that the 38th parallel would be acceptable. That statement was made by Marshall, by Acheson, and by others, and with the truce negotiations underway, we proceed to sabotage it. Now I hate to say it about my own country, but it's a pretty lousy way to conduct any kind of negotiations. What in hell difference does a piece of Korean territory mean compared to the life of a single American? The territory is what? Just a little piece like this north of the 38th. We had to go to the 38th anyway to accept the political status quo ante.

Well, all right, are we going to lose face by retreating a few miles? They would also have to retreat, because they're <u>south</u> of the 38th in the west end. Oh, no, we can't do that. We're trying to stir up trouble in every conceivable place. We undermine governments, we bribe officials, we've done our damnest to create trouble with Pakistan and India. After all, Pakistan did invade Kasmiri -- Indian territory -- and does India get any of the Marshall Plan money? India had 2 million troops in World War II under arms. Did she get any gift? No. She asked for it, and after almost two years, she gets a <u>loan</u> of $20 million. Can you blame the Premier of India for saying, "If we had been an enemy and an adversary, we would have received your bountiful aid?"

In other words, all over the globe the term "America" is becoming one that's not wise to be associated with. And who is doing it? The American policy is doing it. We are the ones to blame. We permit them to go ahead. Name me a single Protestant Minister in United States that in his sermons has come out and made any direct unequivocal declaration. Name me any leading citizen of any city in any state. Is there one? If there is, we've never heard of it, and I'd like to know the man.

The only reason that we haven't got war with Russia is that Russia isn't where we think she is. After all, they didn't tell you the truth in the last war and they aren't telling you the truth or the facts now. Russia didn't have any guns in World War II. She didn't have any artillery; she didn't have any tanks; she didn't have any planes. You get a British aviation journal today and what do you find? The new Russian twin-jet bomber has 2,600 pounds thrust per engine more than any jet engine we have. Remember, that's not my opinion. There are so many blunders now, the Russians retreat. We keep it up, we'll make a blunder all right.

WHAT WAS THE NAME OF THAT SUBSTANCE USED TO MAKE CORTISONE?

It's a wild sweet potato -- big, this size. It's "beeta de negro". I think it's a Mexican term. It's a wild sweet potato, poisonous variety, that grows in the jungles down there, and the original discovery of that extraction was from an American who was in the Sapogens Corporation. He was in Penn State College, and then they squeezed him out of Sapogens.

I CALCULATE THAT THE DOLLAR WILL BE WORTH 31 CENTS AFTER THE NEW TAX BILL GOES INTO EFFECT. HOW DOES THIS STACK UP WITH YOUR FIGURES?

Well, that's hard to say. There's a lot of guessing, except that it will be lower than it is now, and why worry about whether it's 10 cents lower or 20 cents lower -- it will still be lower. I mean, how low do you have to get before .... In other words, do you have to be like that old-time thing that you're down so low you can reach up and touch the bottom? I mean -- not that I'm making fun of the questioner, don't misunderstand me. What I'm trying to show you is it's irrelevant whether it's 31 cents, 41 cents, or 21 cents -- it's less.

YOU SAID THAT FRANCO COULDN'T DO ANY GOOD FOR THE UNITED STATES. WHAT REASONS HAVE WE GOT FOR ALLYING WITH HIM?

The military theory is that the Pyrenees would be an impregnable line of defense. The political reason is that we want to prop up Franco. I don't know whether there would be a religious reason or not. Of course, the five largest banks in Spain are owned by the Society of Jesus. You see, the Pope used to be the Vicar of Christ. That's the claim of that ecclesiastical hierarchy and probably there was some substance to it; but today, that's no longer so. Then, as Vicar of Christ, he used to be able to talk to God directly, but he can't talk to God any more, because it seems that God only speaks Russian these days.

You see, what Europe resents about the Franco thing is this: France has been liberated, Belgium has been liberated; so has Holland; so has Germany -- West and East -- Austria, and Italy; and, if American military policy is going to use the Pyrenees as a line of impregnable defense, that means that the seat of Christian civilization, Western Europe, exclusive of Spain and Portugal, will be liberated again.

You see, how far are the Russians from Hamburg -- do you know? Twenty miles -- 20 miles from Hamburg. In other words, they're 30 minutes from Hamburg. Now as far as the Gallipoli and the Dardanelles, you mustn't figure over 4 or 5 hours. If the Russians did fight a war in Europe, they wouldn't have to declare a war on France or Belgium. They would take Austria, Northern Italy, and West Germany; of course, when they entered West Germany, there would be about 17 million who would go west. And in North Italy, about 10-12 million would go south of Bologna in the Apennines. Well, that part of Italy with 12 million more -- they can't feed themselves now. They have three million unemployed, and they're trying to buy coal from United States at anywhere from $22 to $47 a ton. All you'd need is 12 million more Italians shoved on top of the Italians that are already there. The Russians wouldn't have to go there -- they'd just put the Italians there.

The same thing in France. They wouldn't have to go to France; they would just shove all those Alsatians and West Germans over; and even if we did take France and Italy, we'd have to have a greater number of American soldiers there to suppress the population than to fight the Russians who wouldn't be there.

Of course, the Vatican would move; so would all the large banks; so would all the reactionary population, nobility -- they'd move or else. But I don't think the Russians want the -- what would they do with Italy? Even the wops don't want Italy. They want to come over here or go to Argentina or Brazil. They don't want it. They know what Italy is like. Did you ever see Italian women going out to hoe the fields or a little Italian town? They know what they're up against. It's a Christian civilization and what a smell! You've got streets in Naples so darned narrow that I can't walk through them with my shoulders, but there's a sewer right down there where you walk.

Now anyone who was born and raised in Italy knows what I'm talking about. If you want to mention any particular place, we'll go to that. I'm not deprecating the Italian. I'm trying to show you what conditions are there. Why should anybody want a resource-malnutrition of Italy, that hasn't the resources, that can't feed itself? France, yes, can feed itself. Spain hasn't got the resources. Why, if you've got a pair of shoes in Spain, you're rich.

IN YOUR OPINION, DO YOU THINK THERE'S ANY CHANCE, SUPPOSING WE EVENTUALLY HAD FASCISM, THAT THE HEIRARCHY IN THE VARIOUS PROTESTANT SECTS COULD OVERCOME THEIR ANIMOSITIES AND GET TOGETHER WITH THE ROMAN CATHOLIC HIERARCHY -- I MEAN IN UNITED STATES?

Don't forget in Germany you had an acquiescence of the so-called Protestant clergy to the Fascist proposition. They acquiesced. Was there a Protestant church in Germany that openly fought it? No, because it was good business. Even the Jews who were chased out of Germany wanted Hitler to feed it. Why? They wanted to go back to Germany to get their business back. You see what I'm driving at -- the psychology. In other words, the bourgeois of Germany thought they were smart. After all, that this was a way out of their difficulties -- Fascism; but, after all, German Fascism died on Russian soil. The Red Army did 85 percent of the casualties in Europe. Ask the German youth and the German men, the ex-soldiers and officers of the Wermacht, as our Intelligence has done, and what do you get from 98 percent? We fought them with the best we had; we're going to sit this one out and watch you do it, brother.

No, Fascism is always the last resort. You have an attempted Neo-Fascism now, you see? A little modification. They inquire as to what you think now. Of course, the mistake of that with most people is they just don't think, so they're wasting a lot of paper. But they're putting in all these measures, you see, which are suppressive measures, surreptitiously coming around to this and that -- your school system, civil employees, employees in industrial plants -- all this pressure and you eradicate one so-called American liberty after another. Do you have a decent trial today? Well, maybe if you steal a few million, but not if you have an idea.

After all is said and done, the whole "Red Menace" of United States could have been solved very easily and straightforward: All Congress has to do is to pass a law declaring the Communist Party illegal in United States and abolishing it. Do we do that? No, we don't do that. We want it wide open so anybody can be smeared up as a subversive or something else.

You know what every small town is. If some woman is seen out in somebody else's car (the Chief whistles). She's just a tramp from then on. Well, that's the way we are. After all, our actual morals are no different from anyone else, but we are holier-than-thou all around the world; and it's propaganda that we want to lead the world when we build the lousy, damnable shacks for Americans right here outside of Detroit or any other city. Look at them, and on top of that, that's what we want to build for the rest of the world? Good God!

YOU SPOKE OF THE COMING ECONOMIC BUST AND THAT THE "INS" WERE HOPING IT WOULD HOLD OUT UNTIL AFTER THE ELECTION. WHY -- BECAUSE THAT WOULD PUT THEM IN A PRECARIOUS SITUATION?

No. You see, the American public is so constituted that if it gets something wrong with its individual or gets a pain in its intestines, he goes to an expert. If there's something wrong with a car or the machinery, he goes to an expert; but when it comes to the tremendous problems of running this nation and this continent, what does he do? He wants to exercise that God-given stupidity and he goes down to the ballot box and puts the ballot in and then he comes back and says, "Well, I cast my ballot. I did my duty." Once in four years, isn't it; then he doesn't want to be bothered about it again. Yes, sir. He's gotten rid of that for four years more. Do you see what I'm trying to put over to you?

Now that's the psychology of the public. They'll get all wrought up about the election as to which one or the other goes into the office, but the real problems of the country are not discussed in any election. It's a game to pass them over and kid the public. That's why they want

that. They think, you see, that if they can get it past the election point, there will be something else come up that we can have another Kefauver Crime Commission and drag 'em in.

FRANCO, DURING THE SUCCESS IN THE CIVIL WAR, LIQUIDATED ALL THE COMMUNISTS, SOCIALISTS, AND LABOR LEADERS. THEY SHIPPED THE JEWS OVER IN WORLD WAR I AND GOT RID OF ALL THE PROTESTANTS AND FREE MASONS, AND, AS MOST FASCIST COUNTRIES, THEY LIQUIDATED EVERYBODY EXCEPT FASCISTS. WOULD THAT INFLUENCE OUR POLICY TOWARDS FRANCO?

That just goes to show you how dumb the Masons were. There you are. A few years back I addressed one of the largest meetings of the Masonic Order. I'm not a member of any fraternal order myself, please bear that in mind, but by invitation. They were very horrified and very shocked when I stated that unless they changed their perspective and vision, the day would come, if these trends that we stated were correct and they stayed on the same side of the fence, that the march of events would take those damn diapers off from around their waist and wrap them around their necks. Well, what? Who's doing -- who's representing any forward thinking or any social perspective? What does this organization propose? We propose from soup to nuts -- railways, cars, commodity terminals, continental hydrology, waterways. We don't want this cockeyed waterway they want now with 27 feet. Let's have it so we can bring the boats of the world up and control the level of Lake Erie, Lake Michigan, Lake Superior, and Lake Ontario. Let's lift 60,000 tons up and 60,000 tons down the 326-foot difference between Lake Erie and Lake Ontario in 15 minutes instead of 8-1/2 hours. The technology of this continent can do it, yes. There would be a different sight in the Detroit River out here, wouldn't there?

I'D LIKE TO MAKE REFERENCE TO THE IDEA OF 5,000 YEARS OR 50 CENTURIES OF CHANGE AND MORE CHANGE TAKING PLACE IN THE NEXT FIVE YEARS THAN APPROXIMATELY THAT TIME. COULD YOU CLARIFY THAT MORE?

No, I don't think we said more change.

WELL, WHATEVER YOU DID SAY.

That's different. That the next five years in United States and Canada will be more socially decisive than the previous centuries, and the next ten would be the most conclusive. Quite a difference.

THAT WOULD BE A CHANGE IN BASIC FUNDAMENTALS?

Oh, if you can't ....

WE HAVE HEARD THAT UP UNTIL RECENTLY AT LEAST ALL UN FIGHTING IN KOREA HAS BEEN DONE WITH LEFTOVER WORLD WAR II EQUIPMENT. DO YOU KNOW HOW NEARLY CORRECT THIS IS?

Well, there's a great deal to that, but also the North Koreans were doing with leftover Japanese equipment and leftover Russian equipment. So what? We formed the Republic of South Korea. Remember that during World War II, the Russians invaded Korea both by land and by sea -- amphibian, and were in Seoul before we got to Korea. I don't know whether you know that or not. So we set up the Republic of South Korea. We equip and arm the troops of Syngman Rhee. The Russians set up the People's Republic of North Korea. Well, they equip and arm the troops of the 9 million population of North Korea, while we do the same thing for the 22 million in South Korea. Now it's goose for the gander; it's sauce for the goose. So don't let's call them any names for doing what we did. Both did the same thing. So we supplied the South Koreans with military materiel and weapons, and the Russians and the Japanese -- their leftovers -- supplied the North Koreans.

The tanks that we met over there are the Russian T-34, which is a light medium tank. The big Russian Stalin -- 122-mm -- they've never showed up -- they haven't been there. And the

Russian 152-mm. howitzers which, according to our own Ordnance Department and Hanson Baldwin, military critic of THE TIMES, outrange our United States 155 -- they haven't showed up. Nor have the Russian 240 long-barreled rifle, automatic loading, Schneider compensator on the muzzle and cooling -- that hasn't showed up. Neither has the Russian 300 or the Russian 498, nor the big Russian anti-aircraft gun, which is somewhere around 110-mm. but is automatically loaded. They haven't showed up.

So, while we didn't have the latest that we had in stock here, we rushed over the new bazookas. We rushed over some other things, but we haven't got the most powerful; neither have the Russians in the struggle. They both have, say, second-hand equipment.

AS A RESULT OF THE DEVOTION OF OUR ENERGY TOWARDS THE EXPLOITATION OF THE AMERICAN PEOPLE ABROAD TO MAINTAIN THE PRICE SYSTEM, OUR PROBLEMS INCREASE HERE IN THE U.S. WILL THIS NOT MAKE US ARRIVE AT AN IMPASSE HERE SOON AND NECESSITATE OUR FACING OUR OWN PROBLEMS, THUS AUTOMATICALLY RETIRING US FROM THE INTERNATIONAL PICTURE?

I'm afraid that question is kind of complicated. Certainly. There was a day when you could say in United States, "Well, we didn't care what happened someplace else." But we have to look elsewhere for our magnanese and our copper and our lead, zinc, and oil and hematite ore. The world is short of sulfur. Yes, a new discovery of a sulfur dome down in the Mississippi Delta -- well, that will help a little as far as US is concerned, but it's only 500,000 tons; but there's a 5 million ton shortage.

Now have we as citizens ever really faced a problem collectively speaking? After all, the original political revolution -- what kind of a revolution was it? After all, it was led by a gentleman, the richest one in North American -- at least he was married to the richest woman in North America. He wasn't a general; he never did know how to do anything like that. Remember he surrendered out here near Pittsburgh, once by himself and the second time under Braddock in exactly the same place practically. There were a few generals in the Revolutionary War. One of them got so disgusted that he turned traitor. Clark drank himself to death, and Morgan -- it's kind of dubious what happened to him; but none of those ever became famous in US history. So we never faced the problem that was brought up by the Equalitarians in the Declaration of Independence and sabotaged by the Constitutionalists. They got away with it.

The War of 1812, Texas, and the Mexican War, and the war between the states -- we never faced the issues, the underlying issues before this country. We evaded them by taking in more territory. "Go west, young man, go west." And now the only west to go to is the Pacific Ocean, and there "ain't nothin' there." As a lot of you discovered that were in the forces out there, you don't want any part of it.

So as a public we never have collectively faced a fundamental issue in our history. It's going to be a little difficult for us. Imagine facing a national and continental issue in United States without a television in every john. Just imagine. That is the sad part of it. Well, I'm trying to show we never had -- we will be compelled to when situations force us to. And then what are we going to do? We're going to become as we do usually -- hysterical. And the first lot that screams for something, well, that's going to be by-passed; but when it gets to 10 million or more that demand something and demand it fast .... After all, they're voters and the politician that doesn't want to try and get out of this continent on high gear, because it's a long swim to the next continent -- he wants to stay here.

Now we're trying to provide through this organization and its literature a social perspective. You have hundreds of thousands of people in United States and Canada know about Technocracy. Privately, oh, yes, we're correct. "Well, not at this time," and so on. Well, who's going to convert them? We're not going to convert them, but the march of events are.

Always in a crisis, you know, the organization that puts its social objective up to the top of the board wins. That's a history in psychology, because everybody else is going to try and shove their ante up to meet it. The closer they get to our ante, they surrender. You get it? I don't want to tell you all the answers.

TOTAL CONSCRIPTION TO ME LOOKS LIKE IT MIGHT BE ANOTHER SHUFFLE OF THE PRICE SYSTEM IN MONETARY TERMS. NOW COULD YOU CLARIFY THAT?

What do you mean "another shuffle in the Price System?" If this country has to fight a war on half a dozen fronts without any allies, they'll have to conscript everything they've got. Now nowhere in the press of United States or Canada have they ever fought us on the issue of Total Conscription. Do you notice it? They drop it. They can't call us subversive. We're the most patriotic organization in the country. Under Total Conscription, nobody makes any profits, nobody makes any money. There wouldn't be any debt or bonds or inflation. Well, what do you think if you had Total Conscription in for three years? There wouldn't be any war and you wouldn't have the present system either.

IS IT POSSIBLE THAT THIS PARTICULAR [OIL] SHORTAGE IS AT THE BOTTOM OF US CONNIVING WITH THE IRANIANS TO THROW OUT THE BRITISH THAT WE BROUGHT IN?

No, it isn't a question of our conniving with the Iranians. You see, we are in Maury Island and Quatar and Kuwait. The Anglo-Iranian Corporation operates the giant refinery at Abadan which is the largest in the world. It has a capacity -- it has been running at -- in excess of 700,000 barrels a day -- not the 490,000. And one of the "niggers in the woodpile", using that phrase, is that the internal machinery of the gauges on the main line were set three times the figures on the faceplate in the Iranian oil field. To put it mildly, the Anglo-Iranian owes the Iranian people more money than the total capital investment of the Anglo-Iranian Oil. There's only 82 wells that produce all the oil in the Anglo-Iranian field. With the thousands of wells we have, we only average 12 barrels a day per operating oil well. Venezuela does three to four hundred. Iran is 4,000 per well per day.

The Anglo-Iranian owns 23.75 percent of the Iraqian Oil -- that's your big oil company of Iraq. The Iraqian Oil owns outright the oil development of Quatar. The Anglo-Iranian and the Gulf Oil of United States 50 percent each operate Kuwait. And what is worrying United States GAP IN TAPE which is Arabia and Bareen Island. That here are the Iranians going to get away with 100 percent GAP IN TAPE one of the great sedimentary basins in there. That's a great sedimentary basin and a great thickness. In Baku you have seven oil stratas, one below another.

And while we're at it, the sedimentary basins of possible geologic holding for oil in Russia is three times the sedimentary basins of the United States and just as thick, that is, in depth, as our sedimentary basins.

WILL THE PRESENT WORLD TENSIONS .... NOT TO BE RELAXED IF WE HAVE AN ECONOMIC CRISIS HERE AT HOME?

Well, the only answer I can give to that is somewhat ironic, because the progression of this country has been from the covered wagon to the melting pot and the snake pit -- I mean, psychologically what? What's it all about today? You have more divorces, you have more youth in your delinquency and crime, highway accidents -- all the others -- and your psychiatrists have more patients and there are more beds in the hospitals of United States occupied by mental patients than there are by anything else, and more on the way.

[A QUESTION ABOUT FASCISM IN UNITED STATES]

Well, they can always attempt it, but to run this country on a Fascist basis -- you see, Europe froze the peasant to the soil, the old Salic Law, the law of primogeniture. Land couldn't be mortgaged or sold; it had to descend to the eldest son. It made a nice pyramid up here with

your political hierarchy, your ecclesiastical hierarchy and your economic hierarchy at the top of your pyramid based on a frozen human toil, hand tool base. You haven't got that here. After all, who's the proletariat in United States -- you ever see one? No, oh, no. We're an entirely different nation than the European, and we follow different physical characteristics. Our animals are different here, although they may be the same kind. Our animals here have big heads and big forequarters and small hindquarters. The European animal has a smaller head and smaller forequarters and large posteriors. Now when they get in a storm, they put their large posteriors to the storm and go with it, but the big-headed American animal -- the buffalo, the elk, the caribou, and the bear -- they put their big head into the storm and go against it.

So here we're a nation that only has one aspiration: we all want to be chiselers and we all want to be bourgeois. We all want to sit in that Cadillac with a Corona Corona and have everybody else but us do something. Now that's the wrong kind of a social and industrial climate on which to base Fascism. Because in Germany, for instance, Zimmerman -- that's a carpenter -- well, Zimmerman by name wanted to be Zimmerman for his life and his son's life and his grandson's life, because his great-great grandfather had been a Zimmerman -- been a carpenter. They were content provided it was just a little bit better. Just as in your European farmhouse, the real farmhouse, the peasant piles his manure in the front door, and the larger his manure pile, the richer he is. Just try and find the manure pile on the American farm.

Well, here's an entirely different thing. They've been conditioned and patterned for centuries to certain rituals and certain discipline. Now discipline here, someone says, "Discipline, what's that?" Now every German knows when it says, "Es is verboten." He knows, he understands that, he knows what it is, but when the American sees the sign -- so and so forbidden -- "What? Who in the hell does that guy think he is anyway?" After all, over there, the man is head of the house. In United States, what is he? Down in the office or the plant, he may be a big shot, but, by God, when he drives in his own driveway, I won't name the end of the animal, but it's part of a horse. Now you know it to be so.

Just as in any community in United States -- elect the man next door? No, you know what he is. You're not telling anybody, but tut tut tut, you know. Now there's no cohesion. We're the greatest joining nation in the world. There are 19,000 organizations in the State of New York that have to do with tax reform, ballot reform, and others. I'm talking of registered organizations. You say, "My God, is that possible?" Oh, yeah, but wait until you get to Illinois; they have 32,000. As you come west, it gets better and better. We're the greatest nation of joiners on earth. For what? Well, we don't know, but ....

Now, go in at lunchtime to any Rotary Club or Kiwanis. They've got the big buttons, you know, up here, and they stand up and put their hand over their heart and repeat the oath to the flag and then they say a prayer and then they sit down. Well, now, they've done their little bit for the week. Of course, if they're American Legion and can go to a convention, why, they get away from the womenfolk. The reason why a lot of men go to war. No, you have to admit it, face it. How many people do you know in your community, if you're living outside of a big apartment house, that have any independent position. No, they conform with everybody else on the block.

In Europe -- those of you who know Europe, can you imagine on a Sunday in a small German agricultural town or other, a German woman leaving town just to walk, to take a walk and do nothing else but take a walk just to see ....? No, no. She's got to have a basket or a tool or something else. She's got to walk to do something. Work -- high moral purpose. Now you know that.

What's the mathematical percentage of real rebels in United States? Well, I'll tell you. It's about 0.0004 of 1 percent. I'm talking about intellectual rebels who treat the values with contempt. Someone gives them a Cadillac, the average person, well, they've arrived. The only thing they dream of next is a fur-lined terlit. Oh, I mean this is part of the whole stupidity. Who's built this up over the last 50 years? Do our students at a university go through to acquire knowledge and learning? Oh, no -- points.

You blame the ones in West Point? No, it goes on in every college and in every university. Every fraternity has all the -- at least not every fraternity but the real good ones -- have all the past examination papers and all the questions. They do it everyplace. Why, do you know that I was once offered $75 a week to go to two American universities -- very important ones -- and when I inquired why how that was done, "Well, we could play a game of billiards, a little game of cards once a week." I happened to have an ability to kick a field goal from 55 yards out. Well, naturally, it could have paid off -- didn't have to have any scholastic ability -- all you had to do was kick a football. Who's responsible for all this? You know it.

Little Junior is out here playing with a bunch of kids. Nice bright, sunshiny day in the better class suburbs -- not the low-class ones, the better class -- and he's Jimmy and he's about 9-1/2. And Bobby, who's about 11-1/2, he's quite superior; so Bobby calls Jimmy's father something and Jimmy hauls off and smacks Bobby for a row of gilded ashcans. Well, what happens? All the mammas of the respective children rush out and grab them -- the little brats -- and Jimmy's mamma, just like every other mamma, drags Jimmy in and says, "Jimmy, you mustn't strike Bobby!" "But, ma, he called dad so and so and he called me a liar. I took a crack at him." "But, Jimmy," you've got to understand you mustn't strike Bobby." "Well, mom, but why not? I don't get it." "Jimmy, Bobby's papa is daddy's best customer." And right then you've made a heel out of yourself and a hypocrite out of your offspring because what? The parents didn't have guts enough to stand up to a position.

[A QUESTION ON IMMIGRATION]

Well, they're coming in here. We could support a lot of population provided we didn't have to give them any work to do. We're supporting millions of people around the world today who are not working here. Encourage people to come here? I think our position is quite clear. I think before we become magnanimous on a world basis that we ought to clean up our own house and our own backyard, and that when we've established this country and this continent on a sound fundamental basis -- not on a 10-year plan or a 5-year plan, but on a 100-year basis to where there won't be any droughts, that is, of continental significance or there won't be any epidemics, and where everyone has education wide open to him limited only by their ability, and to where there's a stable operating physical mechanism continent-wide for the production and distribution of this abundance -- then I think we can be magnanimous and offer to take in 250,000 students a year free as guests of the continent and educate them for four years, and may God have mercy on their souls when they return! I mean we could do it with no tax at all -- I mean tax in the sense of burden.

[A QUESTION ABOUT NONPRODUCTIVE OR OVERHEAD EMPLOYEES]

How many of you here have ever been inside a big flour mill -- Pillsbury No. 5, for instance? You have? Well, it's quite high, isn't it? You come down through the various floors and you look the long run -- you didn't see any employees -- but when you got down to the office, there was a magnificent big office. Well, our investigations are a close approximation, but, after all, we don't have a complete checking on them, but the great employment in there is in their office, financial, and supervisory staff. Only about 24 percent of their employees are actually engaged in the production of flour and handling of flour, wheat, and grains. Most of them are engaged in conducting all the little operations that go with keeping track of the financial legerdemain of hedging in the grain market.

The same thing applies to the New York subway. The employees who generate the power, take care of the tracks, run the cars, and valet the upholstery and all the rest of it, they do not number 25 percent. The majority of the employees are engaged in taking care of the nickels and then collecting the nickels and then accounting for them -- several at each station per shift, you know. Of the slightly under 4 million meters in New York City, most of the employment is engaged in the billing, meter maintenance-repair, and the collection of funds, not in the production and distribution of power.

So, before we talk about nonproductive employment, let's get down to what is productive employment. How many appliance stores have you in your community -- in other words, how many spider webs have you?

We have found out in experimental little surveys in maps that in a transition you could institute a distribution system by taking five blocks in New York or Chicago -- five blocks by five blocks -- that's 25 blocks; and you place all your stores in the center. Therefore, they only have 2-1/2 blocks to walk and your store distribution units would run through from block to block. Trucks would drive right clean through. Well, I don't know whether you realize what a reduction that would be, but the average reduction would be 38 to 1 and provide 24-hour service, whether it's lambchops, Grape Nuts, or what it is. It would be better than now and you would have a surplus of equipment left over. Thirty-eight times is now engaged to what would handle it under that system.

What is it we mean by nonproductive? We increase our federal employment, our state employment, and our municipal employment. The tax revenue income from the states today is not great enough to maintain the existing roads -- we have so many miles of them -- let alone build the new highways that are required by heavy loading and high-speed traffic. The New Jersey Turnpike, whose bonds were bought by one of the great insurance companies -- the cost is $2 million dollars a mile, isn't it? Isn't that wonderful? Where does it go?

WHAT IS THE DEAL WITH CARDINAL SPELLMAN'S OFFER -- SHALL WE SAY SANCTUARY -- TO NINETY STUDENTS WHO CAN'T BEHAVE THEMSELVES IN OUR MILITARY SCHOOLS?

That's playing politics in public. After all, they're human beings and they err. To err is human, to forgive is what? Take it away -- it's limburger. Now all you've got to do is have the Protestant Bishop of the Episcopalian Church make the same statement and the goo is complete.

DO YOU HAVE ANY FIGURES ON THE OIL PRODUCTION THAT THEY'RE DRILLING IN NORTH DAKOTA NOW?

The oil production? Well, they also have oil just across the line in North Dakota at Virden, Manitoba, just on the line, but so far the yield on those wells, it's down at quite a depth.

THE BASIN ISN'T BIG ENOUGH?

That I won't say, but the yield is not enough to sustain anything as yet. They'll have to have a larger yield. But the big discoveries in oil are the new discovery in Tabasco in Mexico, the one in New Guinea, and the three big new oil fields in Russia 2,000 miles from the Caspian. Those are the big new oil fields. Of course, you have a whole basin there, but as to whether you can get oil in a big enough quantity .... You see, that first well there was 12,000 feet, and that was only a few barrels a day.

WE HAD A STATEMENT MADE IN MINNEAPOLIS BY A SO-CALLED EXPERT THAT THIS BASIN UP THERE WAS GOING TO PRODUCE AS MUCH OR MORE THAN ALL OF SAUDI ARABIA. IT WAS ON THE RADIO.

Well, your oil companies are frantic. After all, one of the Continental Governors of Technocracy is Associate Director of Research of one of the greatest oil companies of the world. We have some little idea of the way the oil company is thinking. They're financing more wells, drilling of more wells, more geophysical and geologic survey parties than they ever did in history.

Now the wells they drill -- if they can get the steel -- will run close to 45,000 and even greater this year, but the percentage of dry holes is climbing -- 34 percent; and of wildcats, only one in ten is a wet hole; nine are dry. In other words, the spots are going off the cards. You used to be able to stack them like this and come on out with a certain percentage. It's all right playing chess, but when you put the squares in motion, the pieces no longer mean anything. That's the same thing here. There's oil there -- there's oil up through the Canadian Provinces and at Peace River, and there's possible oil on the west shore of Hudson Bay -- sedimentary

there -- and other places; but as to whether it's there in sufficient volume at a depth that we can take it out is another matter.

If we have a failure in one major oil field of United States, that will be very interesting. If it's in two major oil fields, you'll have to make up your minds in United States where 80 percent of the population is going to get the gas to drive a car. What would happen? Who's going to decide all of this? The local committee of the Kiwanians or Rotary or Chamber of Commerce? That only the deserving Americans get gas for their cars.

We're going to worry about Communists? Hooey!

[INAUDIBLE QUESTION]

Well, they always want to build up the resource because that's the basis for your bond issues. Remember I was let out of my contract -- a very lucrative one -- as consulting engineer, because I made a factual report based on thousands of core drillings, geologic surveys, and everything of associated companies, engineers, geologists, and everything else, and those were the conclusions we came to and I lost a very nice income. Why? Because the bond issue is based on something that was only going to last that long.

WHAT IS THE MAXIMUM DEPTH NOW THAT WE CAN GO ON?

Well, pumping -- if you've got the casing big enough to put it down there -- we can drill wells over 20,000 feet. You can drill them straight, you can drill them faster than you ever have in history, but that is not the problem. The problem is exactly the same as your giant calculating machine, Norbert Weiner, and others. You can build calculating machines that can calculate any problem and remember it, but that is not the problem of the people of this country and this social system. The problem is to find a human being of such standing to ask the machine an intelligent question.

Same thing comes up -- it's not a question of how far we can drill. Our modern rotary rigs with their high power and the high pressure air or mud or if you want to go down and burn your way down. You've got the new high frequency arc with aluminum, and it will produce a temperature equivalent of that of the sun and you can walk through granite like that with it -- only get a little distance away, because the molten granite will spray all over the place. You go down faster than any drill could. Of course, the Russians may be using atomic fission to blow up mountains. That's the best use for it.

HOW ABOUT THE WATER SUPPLY IN NEW YORK AND HOW MUCH FURTHER HAVE THEY GONE IN SABOTAGING THE FLYING WING?

Well, the water supply in New York -- we haven't got the water resources in the present water reservoirs. We're using more and more water. Do you know what people say down there? Show you how naive they are. Water? Why, there's any amount of water. All we've got to do is go up and take it out of the Great Lakes. That's actually printed in your papers. How many million gallons can you take out of Lake Erie a day before it starts to show? Here's your proposal just west of Chicago, the Fox River and beyond. How many hundred million gallons a day do they propose that the Chicago Metropolitan Area Water District pump out of Lake Michigan over the Fox River Divide? Who's crazy anyway?

They think water is something that is illimitable -- it's infinite. No, it isn't. Water should be farmed on a continuous crop runoff basis the same as anything else, but we take water out of the lakes or the rivers, the springs -- do we put it back? Oh, phooey, dump it in the sea, do anything with it. Put sewerage in it -- if you fall in the Passaic River, you're either poisoned or asphyxiated. You can't drown in it, it's too thick.

Your water consumption has jumped in every American city with air conditioning, more baths, more showers, more refrigerators. Have we increased the water potential any? "Oh, the Great Lakes are there. We just pull it out of the Great Lakes."

Now you have the same thing down through Ohio, and don't think it's just right here. The water table has fallen all across the continent. And you have it up in the Peace River, "They're not short of water up there." Oh, yes, they are. And then we blow up such things in the SATURDAY EVENING POST about the San Joaquin where we build the Shasta Dam, you see, and run the water downhill from Shasta, then we put in a giant pumping station with huge motors to pump the water that was uphill after we run it downhill to pump it up again ....

END OF TAPE

There is something interesting I want to get into to show you what happens when you build $22 billion worth of new plants. Step up the consumption of energy to levels never dreamed of. Doesn't make any difference whether you like it or not --whether Washington does or not. The laws of energy determinants are as inexorable as the laws of gravity. When these things happen, then others automatically follow. I'll just draw a few little pictures up here. I want to draw the agricultural setup I spoke of in the Arena. Take a 25-mile square--a row mile in each direction- that is the legal row--625 square miles, 400,000 acres, 4,000 farms, all in that area. We can pool all of the equipment, livestock, feed, and personnel in that area and sufficient trucks to handle all the equipment in 12-1/2 miles in any direction to move the equipment all around. Now we require additional space across the country, because we cannot, under wartime emergency, spare the materials to permit any amount of rebuilding. We can, by efficiency, acquire the space by doing away with the unnecessary occupation of space and buildings.

That is only one of the number of cases where the same method could be applied, so that animals can be moved into large farms, feed could be moved, and the personnel. As far as the actual land area, the equipment and personnel can be taken by truck to any point in that 625 miles in a few minutes. The marginal farms, that is, the little petty size with poor land, you can leave, and develop the best land to the utmost. Now we can raise more food in this way than we can by individual farms--more food, and have spare parts and scrap left over. The farm personnel will not work as hard running the farms this way in wartime as their invidivual farms. The farmer won't like to believe the engineers can show them how to do it. We don't want anybody that knows anything about it. I seem to be making a paradoxical statement. If he knew all the minutiae that an individual farmer has to know, he wouldn't be able to plan the operation on this basis. So, the less you know about the individual running of a farm, the more you know about operating this way.

The engineer doesn't know anything about tool operation, but we can operate it better than the farmer. This is the only cure for individual farming. It is not higher parity prices or better farm transportation. It is better to move the farmer the hell off the land. As long as he is left on the farm, he is the most reactionary individual there is. He can't be helped by leaving him there. You can't help the poor white trash or the negro down south by leaving him there. You have to get him the hell off that land. Now, your fascist would want to keep him there and have his hundred acres, his twenty cows, cotton, and his milk, and take all the cream and surplus away from him, or his cows or his milk, but we are going to take him the hell off the land. He is no good if he is left there. The emergency of this war is going to compel the pooling of farm equipment and farm personnel. Our government is going to do it for us. We have a wonderful government, ladies and gentlemen; it has nothing to do with the elected representatives or the Republicans or Democrats; in fact, the holy rollers could do the same. They might roll into it.

Every one of our cities 25,000 or over--even smaller ones but the larger ones especially-- have had a Roman Holiday for the last 70 years, especially the last 20 years. Over a million retail stores in the United States. The sucker consumer was the great game. There never was any closed season on the suckers--24 hours a day. Well, we have to have space and efficiency, and efficient distribution, so let's take a distribution area. Take any large city: Chicago, New York, Cleveland, or Los Angeles, all have a high percentage of stores per capita. (Another rectangle drawn on the board marked off in squares of equal size) an area four blockssquare with a total of 16 blocks-- now, then, you take all the delicatessen stores in the 16 blocks--and there is quite a lot of them downtown--all the butcher stores, and you consolidate all in the center, move the equipment, personnel, and have one butcher store, one grocery store, and one delicatessen, or other unit of distribution moved into the center. Then you only have two blocks to walk from any point in the square to the center of the block for any citizen. It reduces the truck stops. In New York, Brooklyn, Chicago, or Los Angeles, you reduce it 28:1. There would only be one truck a day in a purely residential block. That would mean a consolidation of motor vehicles, consolidation of your retail stores. One truck would deliver the milk, the bread, the pastries, ice cream, butter, cheese, or the morning paper. Just one truck to travel that one block. Now there are some 10 to 14 trucks travelling that block. Go on out here in Cleveland and count the stores, etc., the number of stores in one block. You will find that we are being very conservative. This would give additional space that modern equipment, lighting, and heating will require. They are now going out of business anyway so that they might just as well be handled efficiently instead of resulting in confusion and the debacle as the result of this.